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Merchandising

Week
A BILLBOARD PUBLICATION
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MARCH, 1976 \$10.00

The
**Seasonal
Selling
Syndrome**
Are we bound to it?

Trendings

ANALYSIS OF MARKETING AND PRODUCT DIRECTIONS

HOUSEWARES

Buyers are bullish about cookware sales for spring. "Value" and "quality" are key words heard frequently as they discuss the category. The willing to feel that the customer will continue to be given the pay a little more for something she feels will give her long-term use while continuing to look good with minimal care.

Higher-end aluminum and stainless steel sets should be the most sought after using these guidelines. The most popular price points will be in the \$30-\$50 range.

As to set configuration, buyer opinion appears to be split just about 50-50, one side saying sets of under 10 pieces, namely seven or eight will continue to be best sellers in the months ahead.

The other side, primarily from areas where the '75 recession never hit hard or where things are definitely looking up, feel larger sets of 10 to 15 pieces will be the key to healthy cookware sales this spring.

Specialty items are "looking good" as Mother's Day gift items. Woks and wok sets will continue strong because of the growing interest in Chinese cooking. Begun more as a fad when the bamboo curtain was raised and diplomatic relations were restored with mainland China, the "goodness" both in taste and nutritional value of stir-fried foods assures marketability of these products, according to many retailers.

Also, near the top of the list for mother is a crepe pan. With the homemaker doing more things at home, she wants to do them with a "flair." With the right pan and good promotions such as in-store demonstrations, it's easy to make crepes.

Buyers say the non-electric crepe pans from domestic manufacturers priced, at retail, from \$10-\$15 are and will continue to sell well. Some see imports coming from the Far East that will be out on the floor at around \$6.99 as contenders.

While only one electric crepe pan (Grandinetti's) is now scheduled for the spring marketplace at almost double the price, cookware buyers do not see it cutting in to their non-electric crepe pan sales.

Although most bakeware items are inexpensive, ranging from \$1.29 to \$5 and adding fewer dollars to total cookware sales, the trend to home-baking goes on and buyers see this as "extra" business—always welcomed for cookware buyers. When there's volume business being done, little things count a lot.

Home canning, another trend revitalized by the down economy of last year, shows every indication of remaining strong in 1976. Many buyers are planning early bird canning shops. Their reasoning: Customers will buy early because they don't want to get caught short when the crops are in as happened last July through September. In addition to pressure cookers, colanders, canning racks, funnels, kits, etc., buyers have ordered in a goodly supply of jars and lids, too.

Cookware, one of the few housewares categories that topped 1974 in both units shipped and dollar volume (see highlights, p. 122), should be "welcoming in" spring with strong sales.

Lois A. Paroski

HOME ELECTRONICS

Still smarting from the sting inflicted by deep price erosion in the calculator market, many of the nation's retailers will be playing a cautious game, in the coming months, when it comes to the intensely attractive category of electronic video games.

While Christmas 1975 is expected to see the video game emerge as an even hotter item than last season—when sales soared at about \$100 per unit—most merchants are waiting for the availability of lower priced introductions rather than loading up on current-priced games.

With the anticipated debuts of sophisticated games in the \$39-\$59 retail range, both mass merchants and independent dealers are fearful that stocking up on higher priced models now will mean getting stuck and having to sell below cost later. It happened with calculators—and transistor radios before them. This time merchants are determined to profit from experience.

But despite the "once-burned, twice-shy" attitude, merchandisers led with bare shelves following last December's sensational games' sales, are nonetheless placing orders.

Some retailers are going the hand-to-mouth route, while others, feeling assured of exclusivity within their respective selling areas for some measurable period of time are somewhat looser.

In any event, current product is still in short supply, and the cry "no one's shipping" is heard across the land. On top of that, manufacturers anxious to introduce new games, must cope with waiting for FCC approval.

Provided the anticipated low-priced models are available in time, this June's Consumer Electronics Show should witness some heavy game buying.

Now viewed as an exclusively luxury, holiday-time product, video games are expected to become year-round sellers once price points fall to a "popular" level. Retailers are concerned, though, that the healthy margins they now enjoy will shrink once prices plummet.

And, although currently generating lots of excitement in brown goods, most retailers just do not see longevity in the video game as a home electronics category.

They predict retail prices eventually being slashed as low as \$19. Once that happens, they say, video games will move out of the home electronics arena and into the toy department. Because at that price point merchandising them will no longer be worth an electronics dealer's while.

John P. Williams

AUDIO/HIGH FIDELITY

Profits, product and prices are the three key topics on the agendas of audio retailers this month.

For high fidelity retailers—and all retailers, the last vestige of legal price maintenance ends March 12, as the Consumer Goods Pricing Act of 1975 goes into effect, outlawing fair trade in all 50 states.

For the bulk of the industry, fair trade has already ended. However, certain manufacturers have continued their policies of enforcing fair trade programs, wherever they are still legal, until the bitter end and most, if not all of their dealers will continue to uphold these long-standing, high-margin philosophies.

Last year, when most fair trade laws were repealed, margins dropped to around 10% above cost on key "demand" items, although many retailers have been able to keep overall margins considerably higher, higher.

Nevertheless, dealers are looking forward to CES in anticipation of products and programs that will better assure "decent" margins.

Under the gun are some of the mass marketers who signed FTC consent orders last year. While retailers understand that these suppliers are prohibited from any schemes to maintain retail prices, they still demand that manufacturers take a more positive approach to restoring profit margins. The retailers' alternative: An even stronger push of "secondary" lines at the expense of these "demand" lines.

Right now, U.S. Pioneer is taking the tack that its new components offerings, which include a number of step-up routes to the high-end, will assure profitability for full-line dealers.

This common legal approach to profitability assurance is felt to be too passive for many hifi dealers, however.

A more activist approach is said to be in the works at TEAC. For one thing, TEAC is offering a new high-end "Esoteric" line, with at least six new open reel and cassette deck offerings reportedly slated for June introduction. The new line will also be the first major consumer test of a non-Dolby noise reduction system—dbx.

Although TEAC would not yet comment on these reports, retailers say that the top tape deck marketer is also planning to lower dealer cost on a rebate basis. Their strategy: Dealers will not automatically pass savings on to consumers, if they are not quite sure that they will meet their quotas for the rebate.

Some retailers who've seen the plan fear that it could cause the opposite effect if certain dealers begin to sell at or near cost in order to meet their quotas and get the additional discount.

Retailers generally believe that mass marketing and high margins are like oil and water... they don't mix. "Who cares about lower wholesale prices," a New York merchandise manager remarked. "If they lower the cost to the dealer, these crazy retailers will just pass it along to the consumer. They charge 10% above cost on everything."

Not so on "limited" distribution lines (which are, in fact, becoming less limited by the day) or lines with "dual distribution"—separate franchises for the more profitable high-end products.

Exactly what course the key hifi manufacturers decide to take this June at the show remains to be seen but their future growth rides on their marketing decisions this spring.

In the compact business, rising costs may lead to upward price revision on new lines this June. Whether they will stick is another question, although the shaky financial state of many of the importers in this business precludes their absorbing further cost increases.

Richard Paul Zuck

CALCULATOR / WATCH

Electronic digital watch manufacturers may be placing too much emphasis on the low- and high-end product assortments and ignoring the profitable mid-range mix, according to retailers.

Judging from recent developments at the supplier level, both low-priced models in the \$19-\$29 range and high-end goods, above \$200, will be seeing added action on producer's assembly lines.

However, according to latest best seller information from leading retailers across the nation, mid-range digitals, selling at approximately \$80, are the current movers.

Digital watch buyers also contend that the units are almost always judged by their styling, rather than by any electronic gadgetry that sets them apart from the traditional analog versions.

Retailers, therefore, are not sure whether consumers will accept a \$20 digital watch in a plastic case—and if not, whether they can be stepped up to a \$200 model with gold or silver bands and cases, where there are only a few mid-range models in between.

Also, retailers are fearful that added competition at both the high and low ends will reduce prices even further. As there are reasonable reports that Timex, the leading watch producer at the low end, is almost certain to enter the digital watch race this year, this possibility takes on the feeling of certainty.

Merchandising philosophy is another problem area. Many retailers are currently confused as to where to display digitals. It looks as if the retailer will now be forced to segregate the low and high end, many claim, as the former is sold in the calculator section and the latter in jewelry departments.

At the low end, many retailers are already concerned about quality, delivery and margins. Most digital watch buyers are presently receiving the "key-stone" or 100% mark-up. Many retailers noted that this "keystone" markup is in jeopardy if prices continue to drop.

The high-end arena, dominated by one or two jewelry-oriented producers, will soon be exposed to high-end units from semiconductor suppliers. Many buyers have already expressed doubt about demand for the electronic-oriented product at the jewelry store level.

And, retailers concurred that, once manufacturers offer two lines under different brand names to different markets, customers will question the difference between the manufacturer's product at \$19.95 at the local discount store and \$115 at the neighboring jewelry outlet.

There is no denying that the lower priced models will garner the largest unit share of the digital watch scene and the high end will ultimately achieve sizable dollar volume.

But, manufacturers may not be offering retailers a chance to add sales volume from the low end and dollar volume from the high end with mid-priced step-ups that offer both attractive margins and decent styling.

Thomas Schneider

MAJOR APPLIANCES

Major appliances broke well from the 1976 starting gate, with most retailers reporting volume increases over year ago levels.

"We're getting off to a good start," said a Pennsylvania dealer, "and it looks like a pretty good year." Other retailers agreed, pointing out that healthy December and January movement carried into February.

The general upswing in white goods sales at retail, continuing the upward sales trend noted for the latter part of last year, was paralleled at the manufacturer level. The Assn. of Home Appliance Manufacturers reported January unit shipments 17.6% ahead of the like year-ago month, the first increase shown over the previous year in 22 months.

The factory shipment gain also reflected reorders by retailers as many found their inventories low after strong year-end sales. Also a factor in this, some merchants acknowledged, was ordering to beat posted price increases. However, retailers by and large were still moving cautiously in building up inventories.

A New York department store source said white goods were doing "fairly well" but complained the end of fair trade had led to increased price promotional activity in the market. But another area source felt the effects of the end of fair trade were not all that big a factor, and that sales were not only better than last year but trending toward the middle to high end, i.e., clothes washers at around \$300, ranges at \$275 to \$285.

Laundry equipment in general, and automatic washers, in particular, led the selling list. And the \$300 price was the one most often cited. Some were also reporting good laundry pair sales.

Microwave oven sales continued strong, after Christmas, for many dealers, with the \$400-\$500 price area dominating, and dishwashers, too, appeared to be benefitting from the year-end sales momentum.

Range sales were also on the uptrend, one retailer jokingly commenting, "maybe it's the 40-year cycle (on replacements)" after reporting "phenomenal" sales—particularly 30-in. free-standing models from \$299 up. He said microwave oven sales were also "phenomenal," at an average \$450.

Refrigerator sales were also coming back, led by the 17-cu.-ft. topmounts at around \$400, but freezer movement continued to tail off, although a southern dealer said they were still good, citing 20-cu.-ft. chests at \$349.

Appliance service volume continued good, with one dealer noting a 10% increase. Some dealers, were reporting good sales on reconditioned appliances, particularly refrigerators. One independent in this group said the higher prices on refrigerators, with side-by-sides running upwards of \$600 in some cases, was helping to generate sales of such used refrigerators with a new compressor.

Jack Blood

SUMMARY

The outlook for March and beyond appears to be brightening, according to retailers across the country.

Gradually improving consumer confidence, modest upward changes in various economic barometers and the developing euphoria that business is always better in an election year are all frequently cited. However, most dealers are carefully hedging their bets, nobody seems to be quite ready to blow the bundle on a sharp, long-term upswing.

Perhaps the most encouraging trend was reported in major appliances. Although business at the retail level is still far from "fantastic," most dealers are delighted with current movement, considering the depths from which they are emerging.

A conspicuous highlight has been the marked steady improvement in laundry sales. This category started to show signs of life back in December, but seems to be maintaining its momentum. Merchants are talking about consistent success, selling pairs, both with and without the stimulus of special promotions.

The gradual upswing in white goods, however, is not limited to laundry products. Microwave ovens and refrigerators are also beginning to perk up. Confirming this are reports that retailers have started to replenish their stocks.

Spring business in all housewares categories is also looking up from a year ago. Electric buyers see specialty items, especially the newer ones as the best beters through Mother's Day.

Shower massagers and 850-1,000 watt hair dryers will lead personal care, while automatic drips and slow cookers will continue to pace kitchen electrics. Greengoods are expected to blossom handsomely with heavy promotions readied for the warmer days ahead.

The only dark cloud on the horizon for many buyers is their concern about the profitability of some electrics as margins drop, hitting lows of 2 and 3%.

In the audio business, sales promise to continue good, although not as strong as they were earlier in the year. Retailers are anxiously awaiting new lines and keeping inventories lean.

Discounters are continuing to promote the top hifi brand names at 10% or less above cost, while most other audio dealers emphasize limited lines, even switching from the major (discounted) lines, where possible.

The calculator/digital watch market is beginning to demonstrate schizoid tendencies. Watches have become the new "wunderkind" of retailing, selling very heavily across the board. The \$60-\$80 price point has been especially strong. Retailers' main complaint is being directed at watchmakers whose new introductions are not being delivered fast enough or in large enough quantity.

Calculators, however, are another story. Sales are sluggish as everybody seems to be marking time until the tax-season hype.

In home electronics, citizens band transceivers continue to gladden the hearts of retailers. CB fever rages unabated. However, the long-awaited upsurge in color tv action has yet to surface, as stores report their tv business "still a struggle."

Happenings

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Fairchild, Alpex developing tv games

MOUNTAIN VIEW, Calif.—Fairchild
Camera & Instrument Corp. and Alpex
Computer Corp., Danbury, Conn.,
have entered into an agreement in
which Alpex will develop an elec-
tronic game console for Fairchild, to
be used with color tv sets.

The game consoles will be marketed
exclusively by Fairchild for four years
and non-exclusively subsequently.

Jacobsen readies dollars-off program

RACINE, Wisc.—Jacobsen Manufac-
turing Co. offers a spring dollars-off
deal which allows dealers to retain
their full profit margins.

The program, promoted in Jacob-
sen's \$1.5 million television advertis-
ing campaign, features five 21-in. self-
propelled walk-behind rotary mowers,
retailing for \$50 off, as well as a 19-in.
push unit, which is \$40 off.

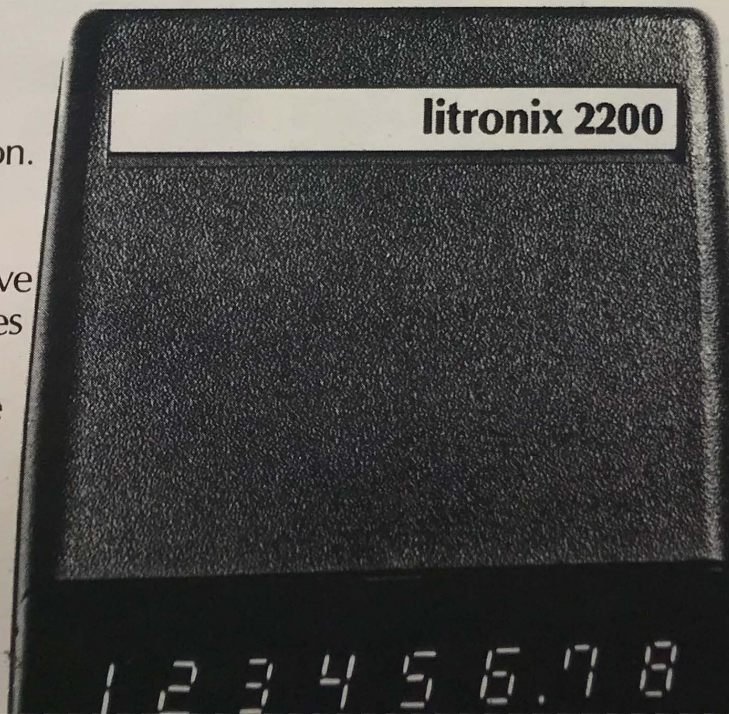
The program will be promoted on all
television networks from Apr. 15-May
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LITRONIX PEAKS METRIC.

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practical calculator with a
practical price.

Naturally, we're also
designed to quickly reach
that market. With our
Litronix Pre-Pak, a sturdy
self-selling counter display
that makes the Litronix line
highly visible. Without
stealing valuable space.

Litronix Pre-Paks
require only small
investment and minimal
inventory. Yet in return,
they give rapid turnover

"Touch/Com," model SBE-32CB, featuring phase-lock-loop circuitry, delta tune and noise limiter, is priced at \$289.95.

Thomas G. Milner has been promoted to president, Breaker Corp. Milner had been vice president-corporate development. Also **J. "Cliff" Mathews Sr.**, has been appointed to the new post of president, Hallicrafters Co., subsidiary of Breaker. Mathews was formerly manager of operations and material, Northrop Defense Systems Division.

William J. Woody has resigned as president of First Dimension Corp., tv game manufacturer. A successor will be selected from outside the company, according to a spokesman.

Forrest W. Price, consumer products group vice president, Scovill Manufacturing Co., has been named national salesman of the year by Sales and Marketing Executives International.

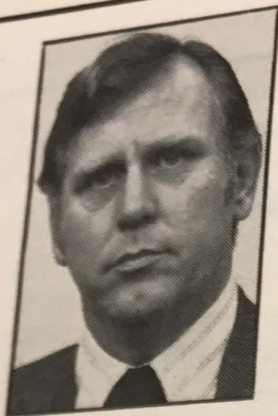
Zenith color tv sales increased 5% to \$645 million in 1975 from \$614 million the previous year. Color tv's share of company sales rose 72% of a total \$901 million from 67% of a total \$911 million in 1974.

A new company, **Cyclone Industries**, has been formed in Los Angeles to manufacture...

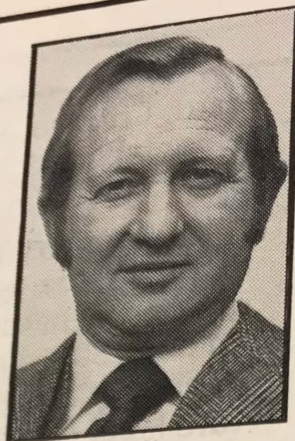
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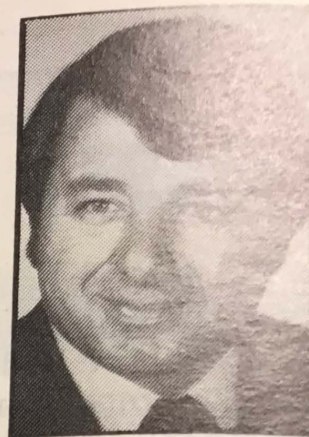
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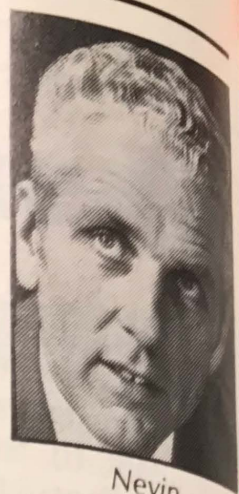
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Mark Shepherd Jr., president, Texas Instruments, Inc., has assumed the duties of chairman of the board, effective April 22, replacing the retiring **Patrick E. Haggerty**. Executive vice president **J. Fred Bucy** will succeed Shepherd as president and will continue as chief operating officer.

Walter J. Nepl, executive vice president, J.C. Penney Co., Inc., has been elected president and chief operating officer, succeeding **Jack B. Jackson** who is retiring. **Lee S. Moore**, vice president on special assignment, was named to succeed Nepl as executive vice president.

Kenneth Kolker has been appointed chairman and chief executive officer, May Merchandising Corp. **Bernard Olsoff** remains as president. Kolker was formerly senior vice president and general merchandise manager, Abraham & Straus. **Robert McNally**, formerly major appliance buyer, has been named television buyer, Abraham & Straus. **Bob Reichenbacher**, previously housewares buyer, replaces McNally.

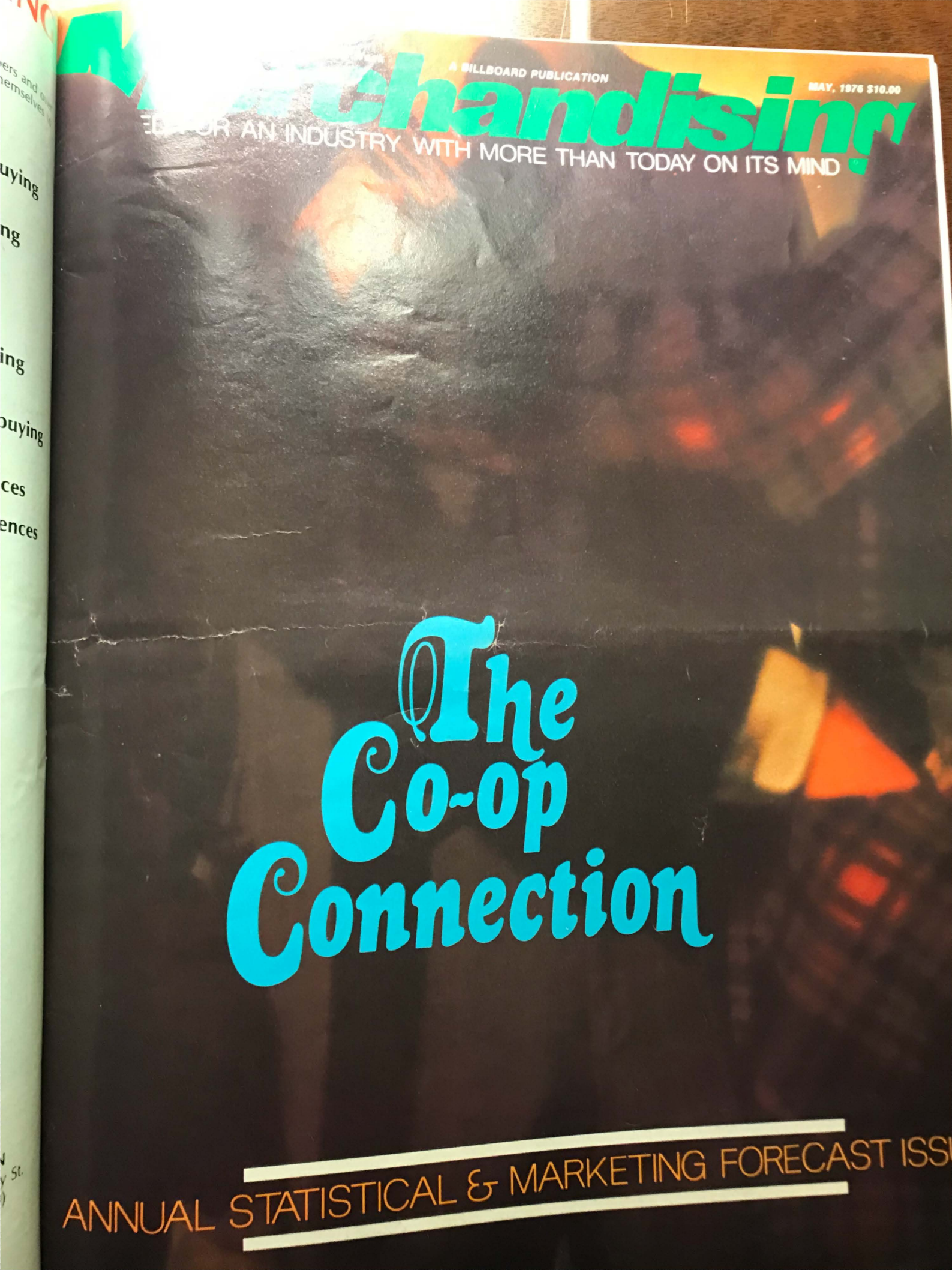
Dave Berry has been named buyer for electric housewares at The Broadway, Los Angeles. He succeeds **Jim Ellis** who is now buyer for men's sportswear.

Pierre Lamond has been elected president and director, Advent Corp. Lamond will also become chief executive officer, succeeding **Peter Sprague**, who continues as chairman. Lamond was previously president, Coherent Radiation.

Bernard Herman, formerly national sales manager, Capehart Corp., has resigned to join the company's New York rep., B & S Sales. **Leo Hahn**, who had been Capehart vice president, distributor sales, has been promoted to sr. vice president, sales and merchandising.

Tom Donohue, sales manager, and **Ed Carrier**, marketing manager for the MX line of components marketed by Philips High Fidelity Labs, have both resigned. **Ron Barber** and **Dave Ruttenberg** have moved over from the Magnavox operation to be Philips product development and sales promotion managers, respectively.

Edward Kagan has been appointed responsible for housewares at A&S. He



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Merchandising

FOR AN INDUSTRY WITH MORE THAN TODAY ON ITS MIND

The Co-op Connection

ANNUAL STATISTICAL & MARKETING FORECAST ISSUE

J.K. Dunlop has been elected general manager, Engine Division, succeeding **Arnold Thaler**, Dunlop Canadian Home Products Corp. **Emmett B. Lewis** has been elected president of GM, succeeding **Harold W. Campbell**, who is retiring. Lewis had been vice president and general manager, Diesel Division, General Motors of Canada Ltd.

Morley Kahn has been appointed executive vice president, Component Marketers, Inc. Kahn had been vice president-manager, U.S. Operations, Dolby Laboratories. Also, **Robert Pett** has become a partner in the firm. **James V. Ezell** has been appointed president of the Admiral Group, Rockwell International Corp. Ezell has served as president of Rockwell's Power Tool Division and will continue until a successor is named. **C.J. Urban**, president of Rockwell's Consumer Operations, has served as acting president of Admiral for the past 15 months.

Scott Davis has been named president of KLH Research and Development Corp. He was most recently executive vice president and chief operating officer. The top office at KLH had been occupied by **Sigfried Susskind**, chairman of the parent corporation, Electro Audio Dynamics, who had been interim president.

Marvin E. Kramer has been named vice president, retail merchandising, RCA Consumer Electronics, replacing **William S. Lowry**, who has resigned as vice president, retail merchandising. **Arnold T. Valencia** will assume the responsibilities of RCA's own distributing branches vacated by Kramer's appointment.

J.C. (Cliff) Mathews Jr. has been promoted to executive vice president, Hallicrafters Co. and vice president-marketing, Hallicrafters International, Inc. Mathews was director of marketing, Hallicrafters Communications Equipment Division, Wilcox Electric Co.

Richard L. Looney has been appointed corporate vice president, Midland International Corp. with responsibilities for the Communications Division. Looney has been corporate vice president, Far East Operations. Also, **Don Saxon** has been appointed vice president of Midland's Communications Division. Saxon was general manager of the company's Communications Division.

Andrew Frantzen has been appointed vice president-consumer products division, Omron Corp. of America. Frantzen had been marketing manager, calculator division.

Robert L. Swam has been named vice president and general manager, Consumer Indoor Products Division, U.S. Power Tools, Black & Decker Manufacturing Co. Swam was formerly vice president and general manager, professional products division at U.S. Power Tools. Also, **Stephen J. Britt** has been named vice president-marketing for the division. Britt had been general sales manager, Industrial/Construction Division.

Jim Morse has been named manager of the new premium and special markets division, Sankyo. Morse was premium sales manager, Flim Corp. of America. Also, **Ed Blum** has been named eastern regional manager at Sankyo. Blum had been with Weaton Sales and Sunbeam. **Jim Douglas**, formerly with Admiral, has been appointed western regional manager and **Richard Ewald**, previously mid-western regional sales manager.

crease, will amount to 2,641,000 units versus 2,384,000 in 1975 and 2,733,000 in 1974.

Eighteen- and 19-in. receivers and those over 19-in. are anticipated to lose in share of market, down 1% each. While sales in the former category will rise 4%, over 19-in. model sales should drop as much as 22.8%.

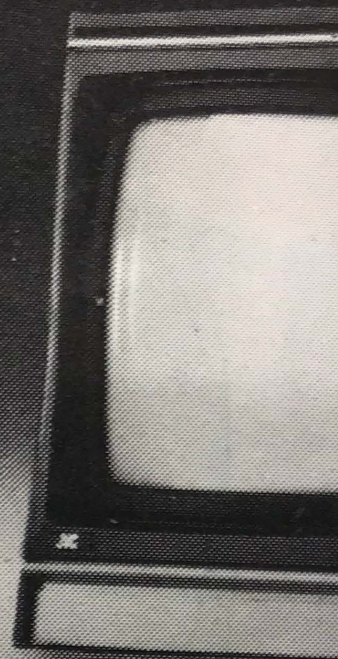
Estimates show, over-all, table and portable sales will increase 7%, totaling 5,263,000 units versus 4,918,000 last year.

With numerous manufacturers now entering the field, the hot category of electronic tv games is set for a sales gain of 168%, manufacturers predict, going from 350,000 units last year to 938,000 in 1976.

A burgeoning market in projection tv systems will put sales at 11,100 units this year compared to 6,800 in 1975, an increase of 63.2%.

Home radio sales are forecast for a sales gain of 14% over 1975, with 29,020,000 units expected to be sold versus 25,456,000 last year.

Continuing to overtake AM-only radios, FM/AM-FM models will expand their share of market to 77.5% versus 72.5% in 1975 and 60.9% in 1974. Expected to post a 22% sales increase, FM/AM-FM models will move ahead from 18,446,000 units to 22,504,000.



JVC pro

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A BILLBOARD PUBLICATION

JUNE, 1976 \$3.00

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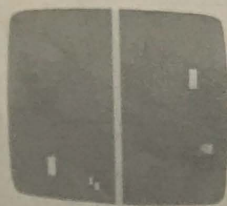
WITH MORE THAN TODAY ON ITS MIND



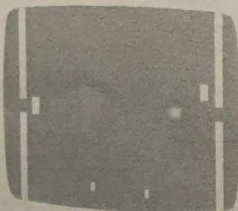
the CB effect

**THE BEST HOME VIDEO GAME
GETS EVEN BETTER.
WAIT TILL YOU SEE WHAT'S COMING.**

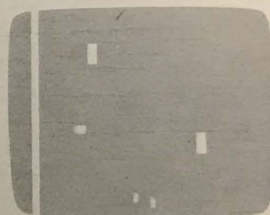
SELLING THE NUMBER ONE HOME VIDEO GAME IS AS EASY AS PLAYING IT.



TENNIS



HOCKEY



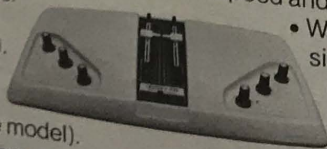
SMASH

3 GAMES IN 1.

Odyssey by Magnavox.
First in sales because it's first in features.

- More games for the money.
- Odyssey 200: Tennis, Hockey, Smash.
- Odyssey 100: Tennis, Hockey.
- Leader and deluxe models.
- On-screen bar scoring indicators (deluxe model).
- Mechanical scoring.
- Tennis doubles/Hockey player and goalie (deluxe model).

- Horizontal and vertical player controls.
- Action sound.
- Speed and "English" ball controls.
- Works with any brand TV, any size, black & white or color.
- Heavy ad support.
- Point of sale displays.
- Mini-theatre demonstration film to help you sell.



ODYSSEY
by Magnavox

Number one in home video games.

SEE US AT CES. BOOTH 505, MALL LEVEL, McCORMICK PLACE.

Revere Ware
manager, merchandising and
Stanford J. Goldblatt has been elected president, Goldblatt Bros., Inc.
Hugh E. Carr has been named president and chief executive officer, Trion
Inc. Carr was most recently executive vice president and chief operating offi-
cer.

Edward Karp has been appointed to the new position of vice president-
retailing, Cook United, Inc. Karp will continue as president of Cook United's
discount department store division.

Patrick O'Sullivan has been named vice president and Far East manager,
Midland International Corp. and Midland Overseas Ltd.

Daniel M. Dyner has been named vice president-sales, TZL International.
Dyner had been vice president/general manager of the firm's Venezuela affil-
iate.

Fred J. Lureman has been named sales promotion manager, Maytag Co.
Lureman had been manager of commercial advertising.

Gary Holland previously group director of planning, Toro Co., has been
named group director of marketing.

William Hittinger, formerly executive vice president-consumer electron-
ics & components operations, RCA, has been appointed executive vice presi-
dent-research and engineering at the company's corporate research center in
Princeton, N.J. He succeeds **James Hilliers**, who has been named to the new
post of executive vice president and senior scientist. Divisions formerly re-
porting to Hittinger will now report to **Edgar Griffiths**, president, electronics
and diversified businesses.

George Crump, formerly vice president-southwest division, has been pro-
moted to senior vice president-sales, Morse Electro Products. Crump suc-
ceeds **Leonard Trachtman**, who has been named vice president-national ac-
counts.

R. Michael Rouleau has been named to the new position of vice president,
merchandise manager, hard lines, Target Stores, Inc. Rouleau was previously
vice president and general merchandise manager, Shipko.

Leonard B. Kahn has been appointed national sales manager, Aftermarket
Division, Tenna Corp. Kahn was previously assistant vice president-sales,
Cole National Corp.

George Collins has joined Jordan Marsh, Miami, as divisional merchan-
dise manager, housewares, casual furniture and small electrics. He was a for-
mer group divisional manager at Burdines. **Steve Fishkin** is the new divisional
merchandise manager for audio, tv, air conditioners and calculators.

Electronics Overviews TV/RADIO/CB

Stimulated by the resurging economy, all signs boldly point to a strong second half for the home electronics industry.

Bullish manufacturers and retailers agree that, with consumer confidence returning, the last six months of this year should bring excellent sales in all product areas and a marked increase over comparable 1975 levels. Color television sets, LED digital clock radios, video games and the 70's Cinderella of brown goods, citizens band radios, are pegged to be the most active categories. Attendance at this month's CES should be a record-breaker, as industry members meet in Chicago to exchange views on the months ahead.

"This year will be unbelievable," said one East Coast merchant. "The public is bursting at the seams—they've been holding back for so long."

Noted Walter Fisher, executive vice president-sales and marketing, Zenith Radio Corp.: "Good economic news is coming out every day. Industrial production is up strongly. The jobless rate is declining. Inflation has continued to moderate. All this adds real dollars to consumers' pocketbooks."

Manufacturers and retailers alike are budgeting more advertising dollars during the balance of 1976 in anticipation of the surge. Heavier tv advertising will be used by a good deal of retailers across the country, who feel this medium is more effective than print in promoting CB and video games.

Color television set sales are now projected to come in at 7.8-8 million units, according to producers, whose estimates have risen slightly since the start of the year.

Pricing on color receivers has generally remained in line with last year's levels for comparable merchandise, although models with new features have higher tags. Product for product, black-and-white pricing remains virtually unchanged, although with the phasing out of hybrid units, the average selling price on monochrome receivers, now almost totally solid state merchandise, is up.

Highlighting 1977 color tv introductions are more sophisticated, all-electronic tuning systems and a further simplification of chassis as a result of increased use of integrated circuitry. New lines also feature lower power consumption and, this year, there are more models featuring digital time displays.

New picture tubes are key in several lines, including Zenith's radically different, 100-degree narrow neck 19-in. tube with skirtless faceplate and the first 25-in. in-line available in the U.S., from General Electric. G.E. has also introduced the

first Vertical Interval Reference (VIR) broadcast-controlled color tv receivers to automatically adjust color intensity and tint.

Two manufacturers, Sony and Sanyo, have debuted home color videotape recording decks.

Black-and-white tv lines are again heaviest in 9-in. and 12-13-in. screen sizes, with an increased number of these available as AD/DC units. Small-screen sets will continue to dominate the monochrome market, merchants predict.

All eyes are turned to the rising color tv replacement market, and although the 19-in. unit is expected to remain king, 25-in. consoles are anticipated to grab a bigger slice of the action this year. Retailers also view the second-set, 13-in. "price" size as an important component in their product mix.

Some merchandisers are concerned about the possibility of color tv shortages come fall. But most manufacturers say measurable shortages are unlikely.

"It's been quite a while since our industry has seen dumps, and the reason is we're managing our businesses better," said Jack Sauter, vice president-marketing, consumer electronics division, RCA. "I would like to think we are going to be as closely aligned to the demand on the upswing as we have been sensitive to the reduced market trends."

Shortages, however, could be a problem in tv games, a category which will be coming on even stronger this year than in 1975. Unfamiliarity with the FCC's tight transmitter standards, coupled with the possibility of slow chip shipments could delay newcomers' entries to the marketplace.

This year's game introductions, most of which are on view at the CES, feature color and a greater number of models with "English" capability. At least one company is offering a line of games whose "players" are stylized sports characters.

"I'm very strong on games for the second half," said Warren Zorek, manager, radio & tv's, Bloomingdale's, New York. "But," he added, "this is just the beginning," noting that technological advances down the road will make "the games of today look like the stone age."

Paul McCormick, divisional merchandise manager, Maas Bros., Tampa, Fla., like other retailers, said that tv games will be sold in special sections, or little shops, within the electronics department.

McCormick indicated that Maas will be giving more emphasis to tv and direct mail, as opposed to newspaper, in advertising games and CB this year.

"Games' demonstrability is better suited to commercials than newspaper," McCormick, who said he expects this category to give us most of a 10%-15% increase over last year.

New consumer projection tv systems marketed this year and are in evidence at the CES, including one whose screen size is considerably larger than many previously introduced. A major television manufacturer said it is conducting feasibility studies with a view toward introducing a consumer system of its own.

In radios, citizens band units continue to charge up the electronics stage, and an array of new product can be seen at McCormick's. A greater number of in-dash combinations are available, expected to become an increasingly important part of the CB business. More portable equipment featuring phase lock loop and LED digital channel display has been introduced, and in general, units are beginning to take a more sophisticated, compact look. Noteworthy, 2-part models are also starting to appear.

Herman Platt, president, Platt Music Co., expressed the sentiments of many retailers when he said, "We want to create an image as the place to buy CB, and we're spending a lot of money to make consumers aware of this."

While the better CB equipment will be in short supply, the final quarter of this year should see beginnings of a better balance of supply and demand.

Reese Haggart, national sales manager, Electronics, stressed the importance of "increased awareness of the need for product knowledge and creative in-store merchandising in selling CB this fall."

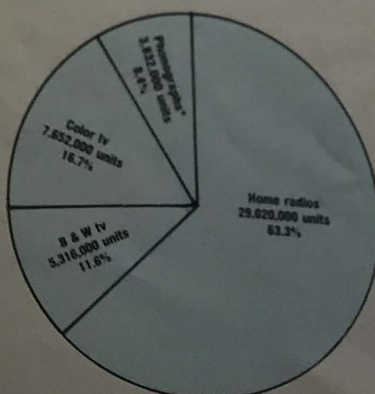
CB's popularity is expected to lead to increased interest in multiband portable radios with band monitoring capability, as well as in shortwave sets. Marketers are predicting a boom in LED digital clock radios, an array of which has been introduced this season.

Continued popularity of shorter-size stereo has lead to a greater number of introductions of this type, including at least one 10-in. More models are available with optional AM capability.

Jim Haley, vice president-marketing, entertainment products, GTE Sylvania, summed up the H.E. outlook when he said: "All the business indicators indicate boom times in the second half. It's going to be tough to make a profit, but a brighter picture than it was last year."

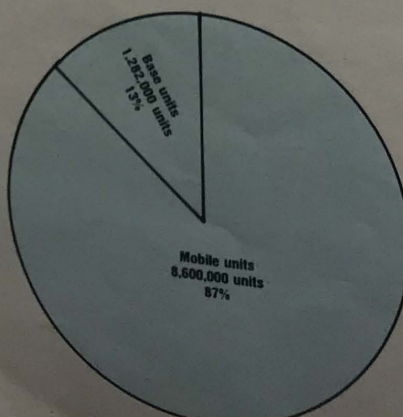
Home Electronics Product Mix

1976 (est.)
45,820,000 units



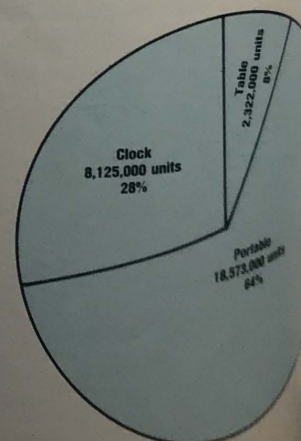
Citizens Band Radios

1976 (est.)
9,882,000 units

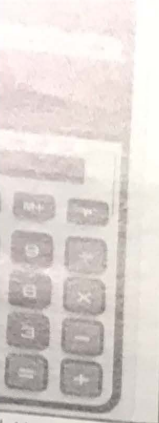


Home Radio Sales

1976 (est.)
29,020,000 units



* Reproduced from May Forecast issue



AL-8

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premieres the line

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...tion of Sony's new technology display...
...FM AM/PSM portable, \$160, which...
...is separated from the sound chamber...
...folds up like a book when not in use...
...and model 9540V, an AM-FM table...
...model with top that reflects the color...
...of the room environment. Three...
...walkie-talkies were also shown, priced...
...from \$80-\$100.

Sony's new "EX" line of compact systems combines the introduction of "sensi-bass passive radiator-type" speakers and a smoked black finish. The six models range from \$200-\$350.

Also introduced were 15 new hifi products including a series of integrated stereo amplifiers priced from \$220 for model TA-2650, rated at 45 watts, to the TA-5650, 50 watts, at \$500. Three new receivers are tagged at \$400 (35 watts) to \$600 (80 watts). Rounding out the line are three new tuners, direct-drive turntable systems, two pre-amplifiers and two speaker systems.

Tape recorder introductions feature an all-black model with music/speech switch, \$160, and four AM-FM combination units, \$95-\$400.



RCA's 25-in. "ColorTrak" console, the Alpha (GA702), at \$669.95.

RCA ColorTrak line expand to 26 models

LAKE TAHOE, Nev.—RCA has expanded its "ColorTrak" line to include 26 models of 38 new solid state color receivers introduced for 1977.

There are 8 table models and 18 consoles in the "ColorTrak" collection, which this year covers a broader pricing spread than 1976 introductions. The 19-in. series of six models begins with the Argosy (FA475) at \$479.95, 25-in. compact console "ColorTrak" receivers start with the Alpha (GA702), \$669.95.

Completing RCA's color line are three 19-in., one 21-in., three 25-in., two 15-in., and three 17-in. XL-100 units, each carrying an open retail price.

Electronic tuning has been used in a larger number of both manual and remote models, with a greater variety of remote control models offered, including those with a new SignalSensor II remote control which automatically bypasses unused channels.

"ColorTrak" models feature automatic contrast color "tracking," automatic room light picture control and Super AccuFilter picture tube with filtered phosphors.

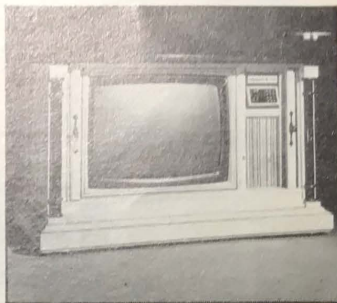
The company's new "Sportable" black-and-white tv line, including nine receivers in four screen sizes, feature four models either equipped with a built-in battery for AC/DC operation or are battery ready.

Lead 9-in. AC model AA092, in newly styled red, white and blue cabinet, is priced at \$109.95. Step-up 9-in. AC/DC model AA096 is available in three colors and carries an optional retail price of \$129.95.

The 9-in. AC/DC model AA097, with

...igarette adapter cord, sunshield and earphone, is priced at \$164.95. Two 12-in. AC/DC portables are tagged at \$149.95 and \$179.95.

Rounding out the line is a 12-in. leader unit, one 16-in. model and two 19-in. receivers.



Magnavox's 25-in. console 4688 featuring Videomatic Touch-Tune System.

New electronic star in Magnavox line

CHICAGO—A second electronic "Touch-Tune" series of 11 color tv receivers—eight of them with a field-installed remote control option—and a time display feature on its 12 "Star" models highlight the 1977 Magnavox line.

Also introduced were: A three-model "Odyssey" video game series; five solid-state black-and-white portable tv sets; eight console stereos—all with tape options; and four modular audio systems.

The new "Touch-Tune" line, which will be priced under the "Star" series, employs a 12-button, calculator-type control panel with a capacity for 20 channels, UHF or VHF, and a 1/2-in. illuminated display. It is available on nine 25-in. consoles—eight of which have the field-installed "remoteable" feature option—and two 19's, the latter with factory-installed remote control.

The "remoteable" option has a \$50 to \$75 retail value, depending on how the dealer merchandises it, the company said.

With the addition of this series, 23 of 43 models in the Magnavox color line, or 54%, will be electronically tuned.

Top model in the new "Odyssey" series, 500, offers full-color playing fields and players (which are stylized characters) and features "English."

In console stereo, new models are said to feature improved acoustical performance and can accommodate three tape options—8-track play/record, cassette, or without tape. A new 45-in. series features sliding tops and has a power rating (RMS) of 6 watts per channel.

At the top of the modular music system line is a three-piece model with built-in 8-track player/recorder, record changer and two speakers, with a new vented design for better bass response. The four new models carry suggested retails from approximately \$159.95-\$249.95.

No other pricing was available, although Kenneth Ingram, senior vice-president—marketing and sales, said, "Pricing will be stable with modest increases and will reflect additional features."

Extension speaker tops Speco line

HEMPSTEAD, N.Y.—Components Specialties Inc. has introduced model CBS 4 extension speaker with universal mounting bracket and hardware for \$19.35. Component Specialties also offers five Speco swinging single kits; model 0-83 outdoor speaker at \$32; a swinging doubles kit at \$31-\$63 and a line of car stereo speakers from \$19 to \$33.

Video Action adds home tv game

ELK GROVE, Ill.—Universal Research Labs has added model VA-III to its Video Action home tv game line. Approved by the FCC, the game features sound, on-screen digital scoring, color display, ball English, 1-2-4-player operation and A/C-D/C power for \$199.

MERCHANDISING

in-das

NEW YORK
division of
model 737
car stereo
speakers at
the car at
shows mod
player with
for \$69.95 a



Model 7

Acoustic shows s

NORWOOD
search has pre
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JUNE, 1976

4 million per year
sales

10 first-marriage brides
ands see it with them.
...healthy...

ern Bride

new households get their start

Bridal Market Retail Spending Study, 1975

loss while...
"moderately profitable."
For the fiscal 1976 half, he said Admiral Group sales were up 11% and the "loss position was improved some 25%." The power tool division recorded an 11% sales increase while earnings improved 70%. Urban said its market share had increased 59%

Fairchild to expand end-product lines

NEW YORK—At its first annual meeting here in eight years, Fairchild Camera and Instrument Corp. executives indicated a continued commitment to its growing consumer products group.

"Moves into the consumer marketplace are part of our multi-pronged approach to building end-product businesses on the technology hub of our basic component expertise. We are already a major power in components. We intend now to capitalize more fully on the end-product businesses, which are less intensive in fixed assets," Wilfred J. Corrigan, president and chief executive officer, said.

Fairchild's first venture into consumer products, a line of electronic digital watches, has proved successful, Corrigan noted. He remarked that Fairchild was "the leading manufacturer of digital watches in the world during the first quarter."

Corrigan commented that consumer products will comprise 20% of corporate revenues this year. Other products to fill that coffer include previously noted introductions of LCD watches and electronic video games.

McGraw-Edition eyes 'plus' profits

CHICAGO—Sales are "approaching pre-recession levels" although em-

Airtemp generates energy saver promotion

DAYTON, O.—Airtemp Corp. has offered an "energy saver" promotion to complement its national advertising campaign.

In the program, dealers may receive extra advertising dollars for purchase of specified high efficiency room conditioners from participating contributors. The national campaign includes 83 spots on network news programs.

Sears credit sales hit 52.9% of total

CHICAGO—Credit sales accounted for 52.9% of the record \$13.6 billion sales Sears, Roebuck and Co. closed up, the firm's 1975 annual shows.

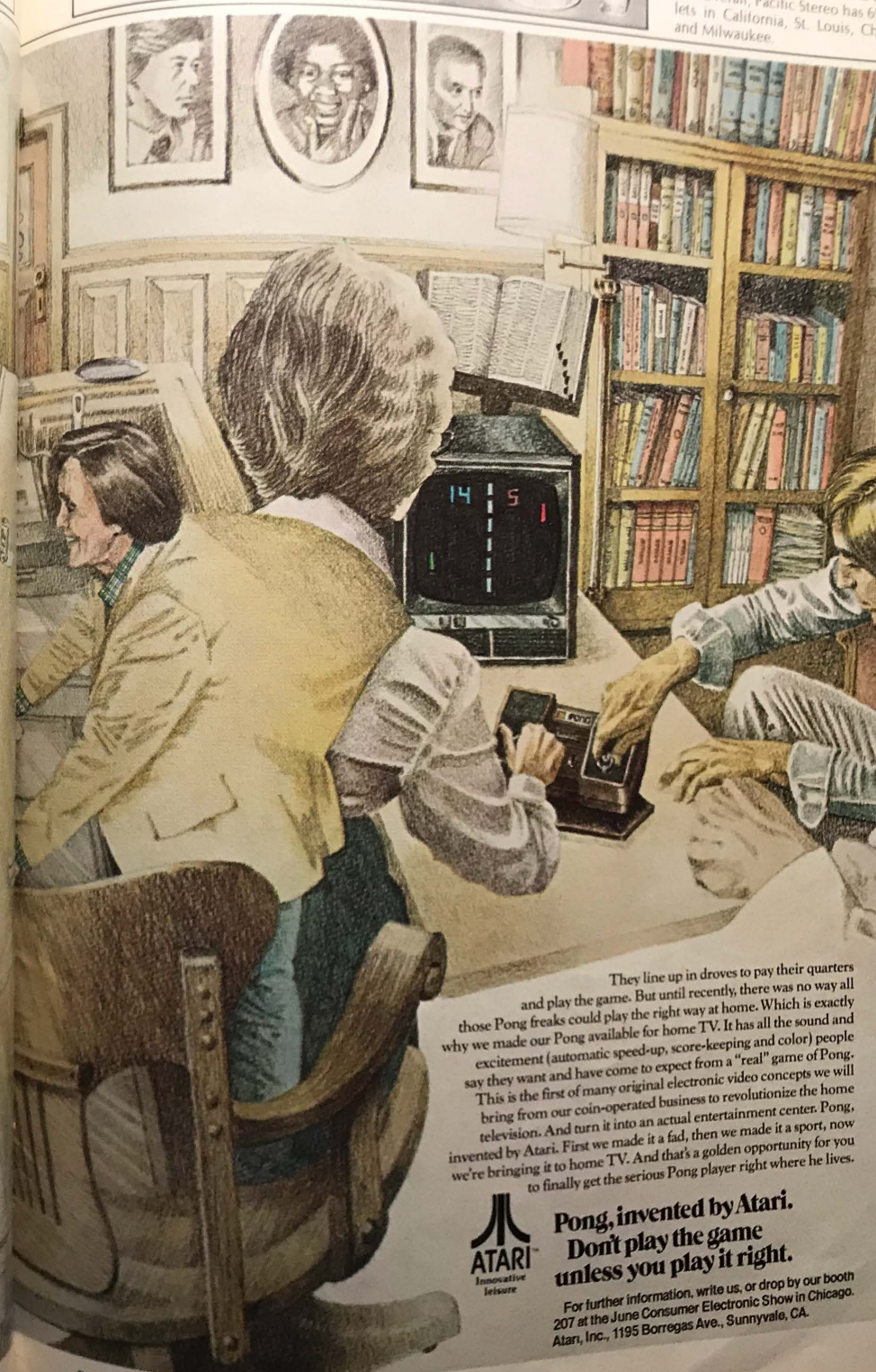
This compares with a 52.8% share of the previous year's \$12.5 billion sales.

Sears' fiscal year ended Jan. 31. The 1975 credit sales of \$7.9 billion came from 21.6 million customer accounts, which increased by 600,000 the customer accounts, 15.3% were revolving charge accounts with an average balance of \$186; 1.1 million "easy payment" accounts.

Memorandum



**You can't keep them
from playing Pong,TM
but now at last
they can play
at home.**



They line up in droves to pay their quarters and play the game. But until recently, there was no way all those Pong freaks could play the right way at home. Which is exactly why we made our Pong available for home TV. It has all the sound and excitement (automatic speed-up, score-keeping and color) people say they want and have come to expect from a "real" game of Pong. This is the first of many original electronic video concepts we will bring from our coin-operated business to revolutionize the home television. And turn it into an actual entertainment center. Pong, invented by Atari. First we made it a fad, then we made it a sport, now we're bringing it to home TV. And that's a golden opportunity for you to finally get the serious Pong player right where he lives.



**Pong, invented by Atari.
Don't play the game
unless you play it right.**

For further information, write us, or drop by our booth
207 at the June Consumer Electronic Show in Chicago.
Atari, Inc., 1195 Borregas Ave., Sunnyvale, CA.

Coming... a 500-unit hifi chain from Sears

formerly Melchior's Week

A BILLBOARD PUBLICATION

JULY, 1976 \$3.00

Melchior's Handising

ED FOR AN INDUSTRY WITH MORE THAN TODAY ON ITS MIND

Buyer-onics:

it's bye bye to
old-line buying
bastions



Electronics



U9327NW, 25-in. console
per Module."

Module" Quasar line

ARK, Ill.—An expanded
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Module," a replaceable
containing 75% of the
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tector-alarm for \$39.95; a combination
LED/AM-FM digital alarm clock radio
at \$39.95 (without radio, \$19.95) and a
discount store line of hand-held cal-
culators from \$10.95 to \$29.95.

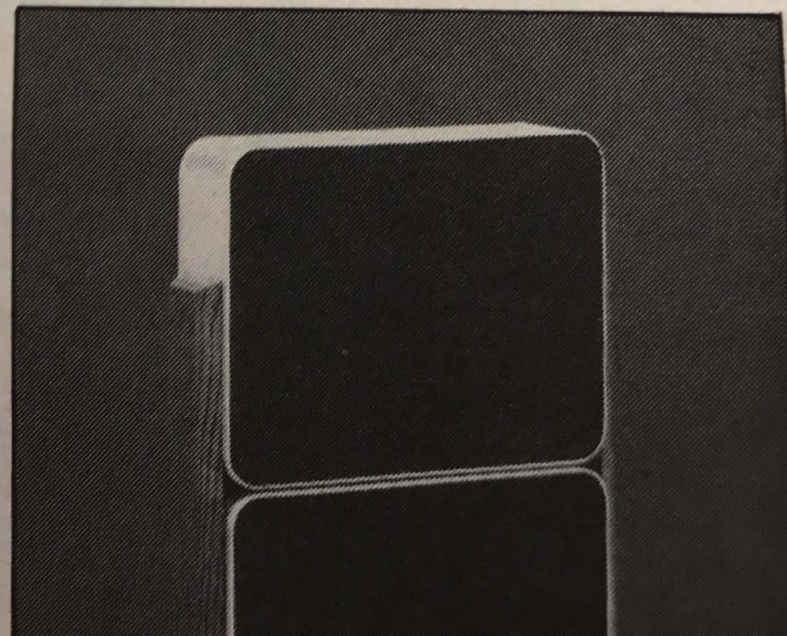


APF game

APF introduces 4-type game unit

NEW YORK—APF Electronics, Inc.
has exhibited its "APF TV Fun" game
including tennis/ping pong, hockey/
football, squash or singles handball.

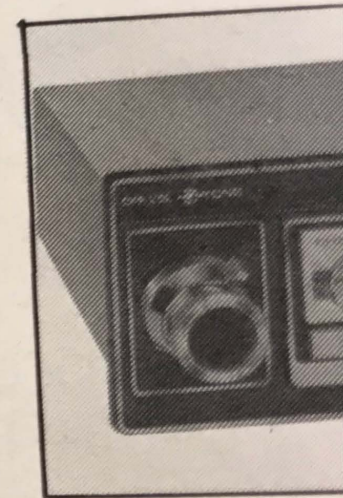
Retailing for \$79.95 to \$89.95, the
model also offers three different
sounds—hit, score and boundry reflec-
tion.



Blaupunkt auto stere

MISSISSAUGA,
new stereo car
headrest has be
Canadian mark
(Canada) Ltd.

Acting like a s
safety headrest
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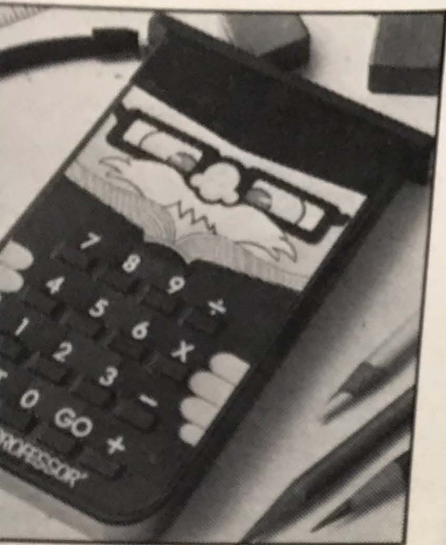


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or \$24.95 and

model with AM-FM stereo radio. The Sony autosound line also includes a new in-dash AM-FM MPX cassette player.

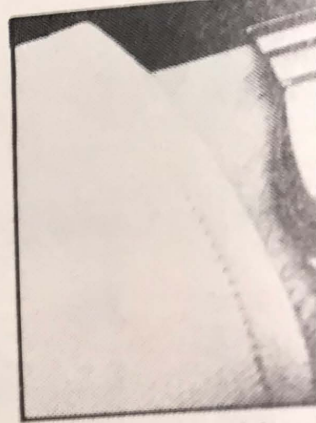
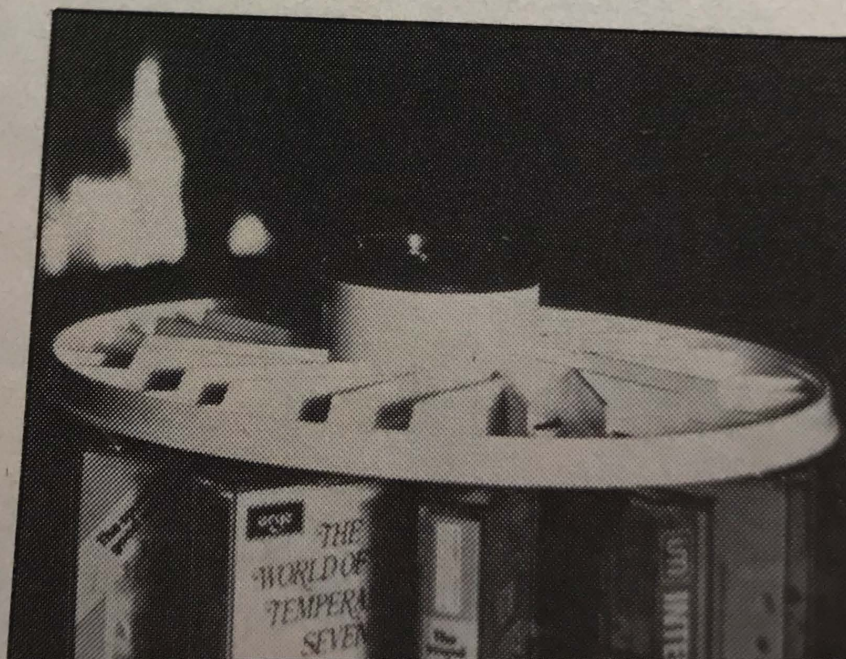
The firm rounds out its line with four promotional Superscope speaker systems and a five-channel Sony mixer.

Semag introduces video game centers

LOS ANGELES, Calif.—Semag Manufacturing Co. has introduced a line of self-contained video game centers featuring a selection of three table styles.

Each unit is equipped with five games, with additional game modules available for insertion in slots built into the table base.

Carrying a suggested retail price of just under \$2,000, the game tables are capable of accepting up to 30 different games at one time.



Litronix

Twistwa Litronix

CUPERTINO
has debuted
its first electro
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vector calculators

Victor introduces desk-top models

CHICAGO—Victor Comptometer has debuted two desk-top digital calculators, including model 210, which has two memories, sign, change, square root and five-position function switch at \$159.
Victor has also introduced its model 215 featuring a six-key accumulating memory for \$99.50.

Breaker premieres coax antenna switch

ARLINGTON, Texas—Breaker Corp.'s model 13-200 coax antenna switch offers a single SO-239 transceiver input connector and is switchable to either of the two SO-239 antenna cable connectors.
Listed for \$7.95, model 13-200 is one of Breaker's new "Freedom Line" of 27 other CB antennas and accessories.

Craig drops in portable, autosound

COMPTON, Calif.—Craig Corp. has dropped in two new products—an AM-FM portable cassette recorder and an AM-FM MPX in-dash 8-track player.
Model J422 is an \$89.95 portable with automatic, end-of-tape shut-off; built-in microphone; digital counter; 1-way meter; and DC operation. An AC adapter and rechargeable batteries are optional.
The model S600 car stereo features dial-in-the-door tape insertion, automatic/manual track selection and repeat button at \$109.95.

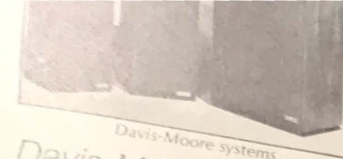
Pulsar highlights day of week watch

LANCASTER, Pa.—Pulsar, Time Computer, Inc., has presented a watch that reports the day of the week in an alphabetical LED display on its Big Time and Classic models. The former, in stainless steel sports styling, retails at \$325, while the later sells for \$325 in stainless steel and \$425 in a gold-filled case and matching bracelet.

Dynaco rediscovers vacuum tube amps

CHICAGO—Dynaco has introduced its Mark VI professional monophonic tube-type power amplifier, featuring 120 watts, at \$649 (\$425 for the kit).
Its Stereo 300 150-watt-per-channel stereo power amp features less than 0.5% THD at rated power and is priced at \$699 (\$489 in kit form). The unit converts to a 75-watt-per-channel 4-channel amp.

APR. 1976



Davis-Moore systems

Davis-Moore shows loudspeaker units

CAMBRIDGE, Mass.—Davis-Moore Laboratories has offered five loudspeaker systems ranging from an 8-in., 2-way model at \$99 to a disco monitor for \$300.

Mobile CB preamp tops EICO intros

BROOKLYN, N.Y.—EICO Electronic Instrument Co.'s "Long Ranger" CB preamp (model LP-3) mounts out of sight and plugs in the line between the antenna lead and the antenna jack on the transceiver. The unit connects to the car's 12-volt battery system and is priced at \$29.95.

AKG introduces first cartridges

CHICAGO—AKG has added five phono cartridges to its line. These units feature "transversal suspension"—a single, specially designed rubber diaphragm "knife edge" that provides both suspension and damping characteristics.
Four stereo units with elliptical styli are priced from \$50 to \$135. A stylus with a spherical cartridge is \$40.

Empire Scientific premieres turntable

GARDEN CITY, N.Y.—From Empire Scientific Corp. comes the model 698 turntable with tempered glass dust cover, belt drive system and photo-electric cell used to electronically trigger the tone-arm to lift at the end of the record for \$399.95.

Home video game tops B & B intros.

TROY, Mich.—B & B Import-Export has premiered its first video-tv control panel game under the Alaron label (model G-300).
The unit offers five games, action sound, on screen scoring, speed control and bat control.

Technics drops in speaker systems

CHICAGO—Technics dropped-in speaker systems at the summer Consumer Electronics show—the 2-way model P-80 at \$149.95 a pair and the 3-way model P-90 at \$259.95 a pair.

The company also demonstrated a prototype of its Elcaset deck with logic switching and automatic track selection.

NEW ORLEANS, La.—Pacer has introduced the AntennaMent indoor gain antenna.
Retailing at \$49.95, the unit features top coil loading, fiberglass construction and is portable for outdoor use as well.

3M adds C-Boxes, plans new formats

CHICAGO—3M Co. has repackaged its Dynarange series of C-60 and C-90 cassettes in C-Box modular pushbutton storage systems.
The firm is planning to introduce Elcasetts, microcassettes and minicassettes within a year.

Kyber Corp. shows phone answerer

CHICAGO—The Kyber Corp. of Saratoga, Calif. has introduced a small phone answering machine that is designed to retail for under \$100.
"Hello," Kyber's first consumer product, features a new LSI chip for the electronics and a simple, multi-speed capstan drive mechanism to operate a proprietary tape cartridge.

D B Systems adds low THD pre-amp

JAFFEY CENTER, N.H.—D B Systems has introduced a pre-amplifier which it guarantees to produced less than 0.0008% harmonic distortion over the entire bandwidth. Price: \$425, with power supply.

Rectilinear expands Contemporary Series

NEW YORK—Rectilinear Research Corp. has added the Rectilinear 2 to its Contemporary Laboratory Series. Priced at \$139, the unit is a two-way, three-speaker system with a 10-in. woofer and two 1½-in. tweeters.

Maxell introduces two battery lines

CHICAGO—Maxell Corp. of America will market two lines of batteries—a 200 series of zinc carbon batteries in AA, C, D and 9-volt sizes (35¢-89¢) and a 1000 series of manganese alkaline batteries in AA, C and D sizes (70¢-1.00).

Coleco presents 'Telestar' tv games

CHICAGO—Coleco has introduced "Telestar," with three tv games and three skill levels in two versions: a \$64.95 battery-powered unit and a \$79.95 model in wood-grain cabinet with AC adaptor.

Ellexon Electronics adds mobile CB unit

NEW YORK—Ellexon Electronics Corp. of New York is featuring a 23-channel mobile CB transceiver with automatic noise limiter, Delta tuning and a 2-year guarantee at \$119.95.

memory auto radio

CHICAGO—J.I.L. indicated that it plans to introduce an auto radio with 20-station memory and digital readout this fall.

The firm already introduced five new autosound units with add-on CB or SSB/CB transceiver modules and keyboard entry microphones. These modules mount on the top, bottom or rear of J.I.L.'s new auto stereo units.

J.I.L.'s model 604 car stereo is an in-dash AM-FM MPX unit with a stereo cassette player. The product features AM-FM slide bar band selector; fast forward/eject; mono/stereo switch; MPX indicator; MPX muting; tone, balance and volume controls; and faceplate. A tape run indicator lamp turns from red to green to white during the cassette's play.

Scientific plus tops H-P calc. entries

PALO ALTO, Calif.—Hewlett-Packard has premiered model HP-27 scientific/Plus pocket calculator at \$200 incorporating built-in mathematical and financial functions. The unit offers 28 exponential, log, trig and arithmetic functions as well as 15 statistical functions and ten financial functions. New H-P functions include variance, correlation coefficient, normal distribution, net present value and internal rate of return for up to ten uneven cash flows. At the same time, H-P lowered the price of its HP-25 programmable scientific unit from \$195 to \$165.

Quorum highlights calculator models

FARMINGTON, Conn.—Quorum, Inc. has entered the calculator race with an 18-model calculator line priced from \$11.95 to \$149.95.
The line includes four mini hand-helds from \$11.95 to \$24.95; four pocket hand-helds from \$14.95 to \$21.95; two scientific hand-helds at \$49.95 and \$69.95; three slim-line hand-helds at \$24.95 to \$39.95; a desk-top visual model at \$64.95; and four desk-top printers from \$104.95 to \$149.95.

Soundcraftsman adds equalizers

CHICAGO—Soundcraftsman has added a number of new equalizers, including an audio unit at \$299.50, a tape playback equalizer at \$329.50, a record/playback unit at \$369.50, a semi-professional system at \$399.50, a \$529.50 preamp equalizer and a \$550 balanced in-out 600-ohm studio equalizer.

All feature 10 octaves of control per channel.

BSR expands Glenburn line

BLAUVELT, N.Y.—BSR-USA-Ltd. has added three Glenburn automatic turntables for two-step distribution.

Two units with magnetic cartridges are \$64.95 and \$89.95, while a ceramic cartridge model is \$54.95.

The firm also offers an ADC 12-band equalizer.

**Newest Two-Transistor
Movement**



Product Picture

16 video games w/Fairchild system

CHICAGO—Fairchild is showing a video entertainment system featuring 16 tv games—two built-in and 14 available on video cartridges.

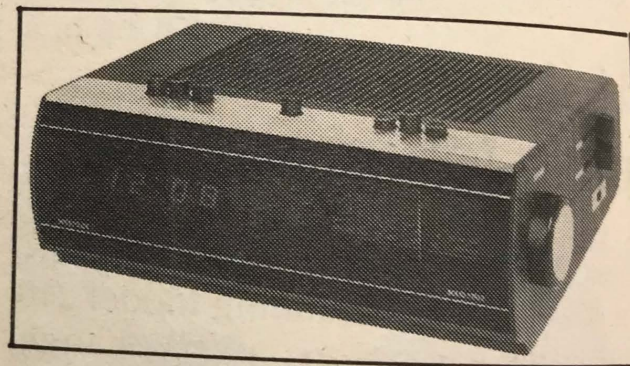
The console, which utilizes micro-processor technology and has pause control, is expected to be available by Christmas once FCC approval is granted.

Games include hockey, tennis (built-in), tic-tac-toe, shooting gallery, "Shark Hunt" and doodle (draw-it-yourself). Also planned are math quiz cartridges, which advise the user "right" or "try again."

The company said it anticipates of-

fering one new cartridge—which can contain as many as four different games—per month, once the unit is on the market.

Fairchild has also debuted its first LCD digital watches—two in the Time-band series and four in the medium priced Fairchild series. Fairchild has also shown four LED clocks from \$15.95 to \$29.95.



Westclox clock-radio

Westclox features LED clock radio

LA SALLE, Ill.—Westclox has debuted a Rise 'n Chime clock-radio with a "computer programmed" system to

Y COPAL
fastest selling line
digital clocks

The Product Picture

Magnavox debuts built-in tv games

CHICAGO—Magnavox has introduced a 19-in. color television set with three built-in Odyssey video games.

The unit features tennis, hockey and smash, with adjustments for two skill levels, plus on-screen scoring, sound and separate hand-held controls on 12-ft. cords.

The games can be played on any channel by depressing a button; the same control switches the receiver to the television mode.

Solid state modular chassis model 4305, featuring in-line picture tube and AFT, scheduled to go into production in September, has a suggested re-

tail of \$499. According to the company, the games add approximately \$70-\$80 to the price of the unit.



Lux series

LUX adds high-end separates for purists

CHICAGO—Lux Audio has added a

“Laboratory R...
ing a frequen...
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fier, a 12-ba...
tone control...
pre-amplifier...
THD.

All includ...
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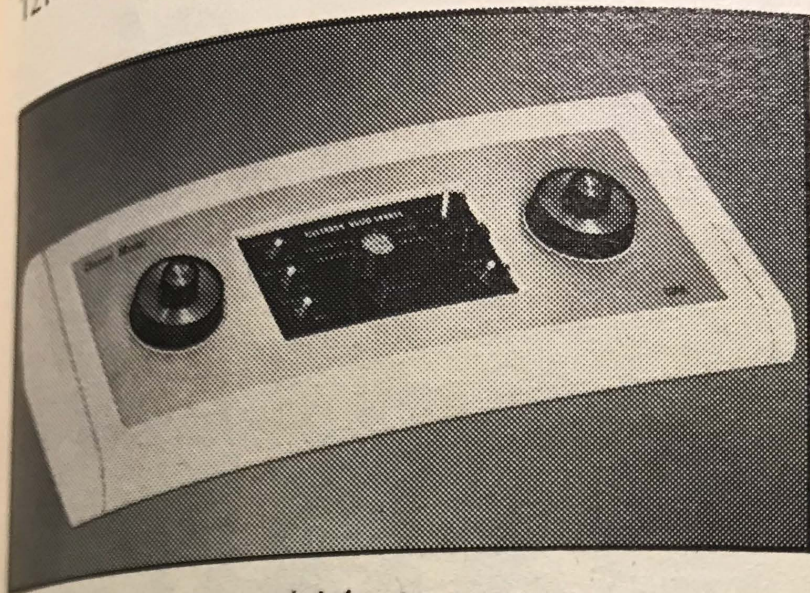
Also new...
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Now Rival adds

for \$44.95; and professional model 12SR at \$89.95; and professional model 12F for \$89.95.



Channel Master game

Channel Master adds 'Challenger' game

ELLENVILLE, N.Y.—Channel Master has entered the electronic video game market with its "Challenger" unit.

Retailing at \$79.95, the four-in-one model offers tennis, squash, hockey and single challenge. The unit uses different action sounds, for hit, rebound and score. Three Pro/Am switches select ball speed, bat size and ball rebound angle.

JVC introduces 'select' hifi line

CHICAGO—JVC America has introduced its "Select Audio Component Series"—mixed bag featuring

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base transceivers; handheld portables;
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THE DEPENDABLE CB FROM SWEDEN

the Montgomery Ward expanded beyond its line of company sales.

Admiral entering new electronics era

ROSEMONT, Ill.—With its new "Era II" line, Admiral has "gained parity in performance and quality" with the television industry's leaders," Charles J. Urban, president, consumer operations, Rockwell International Corp., declared at Admiral's recent sales meeting here.

Urban was referring to Admiral's 1977 tv line, the first to have technological input from Rockwell. Behind the new technology, said Urban, was an expenditure of some \$5 million over a two-year period in developing the three new chassis for color consoles, color portables, and black-and-white receivers. These feature simplified modules for easy servicing and consumer-installed remote control.

Urban also enthused about the technology involved in Admiral's advanced concept, "Videospond," a device which has "interactive capability" for consumers including video game and calculating applications. He said the "electronic typewriter-sized" unit could be marketed in 18 months but the firm's plans are dependent on software availability. Urban added that initial applications would more likely be for industrial purposes rather than consumer use.

Marketing policies put into effect reflect a closer link between Admiral's home entertainment and major appliance lines. The company instituted a pre-paid freight policy on television, as has been employed on white goods, thus permitting retailers to purchase mixed car lots of both lines. Mixing warehouses have been established in the Chicago area and in New Jersey, with three more planned by year end.

Admiral is also combining white and brown goods purchases toward retailer incentive trips, offering them at three levels, "mini, midi and maxi," and tailoring the trips so that all retailers, from small to heavy volume operations, can qualify, George Simkowski, marketing vice president, explained.

Simkowski said a 12-model console stereo line will be introduced in Au-

Participating retailers included Lafayette, Radio Shack, CB Stereo Place, Hempstead Car Stereo, S&B, Buddies, Tradico, Specialty Communications Systems, Sandro's, Com-Ton and Rothman T-Shirts.

Nader has been a promoter and packager of rock 'n' roll oldie shows and Latin and disco expo packages.

Cook drops majors, tv from all stores

MAPLE HEIGHTS, O.—Cook United Inc. is dropping major appliances and television from the last 10 of its stores that carried them, effective Aug. 15.

Gary Hansen, vice president of specialty stores, numbering about 70, said the move was made for "economic" reasons, and follows a phasing out of other brown and white goods departments from a time when as many as 35 of the company's stores carries the products a couple of years ago.

The 10 stores are in the northeast Ohio-Cleveland area, he said.

Airtemp shifts its distribution system

DAYTON, O.—Fourteen independent distributors have been appointed by Airtemp Corp. in its program to replace factory branches.

William L. Regan, Airtemp vice president-domestic marketing, indicated that plans are underway to replace the remaining factory branches. Regan also noted that Airtemp will continue to seek distributors in other geographic areas.

Craig to sponsor Dylan tv special

COMPTON, Calif.—Craig Corp. will be the sole sponsor of Bob Dylan's television special, September 14 on the NBC-TV network.

Craig's line of Powerplay car stereos and Series 5000 audio components will be featured in commercials throughout the show, which will be the biggest merchandising program yet undertaken by Craig.

MERCHANDISING

acquires
Bulova share

ONG-Stelux Manufac-
td. has acquired 26.8% of
Watch Co. The share is
less of \$7.5 million.
will pave the way for Bu-
h parts, accessories and
quartz watches to be manu-
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will offer such features as
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Konkol, president of the new
electronics business group.
ess briefing during the sum-
Konkol said that the reorga-
gives Sylvania the opportu-
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y group of companies with
\$100 million in 1975, "to firmly
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said that one of the factors
terminated the reorganization
as that "the mushrooming
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had reached the point where
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INGERS
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Ringside at summer CES

Much of the excitement in home electronics was focused on tv games, with retailers having the opportunity to see new units from numerous manufacturers—ranging from toy-priced battery models to sophisticated entries using videocassette cartridges.

In Citizens' Band radio, industry members were rocked when Ray Spence, FCC chief engineer, told CB seminar attendees that the commission had begun to take a harder look at new CB transceivers submitted for type acceptance. A recent physical examination of new CB equipment, he said, resulted in 25 out of 25 models rejected as not meeting FCC requirements.

During a retailer panel discussion on CB, most merchants said they were in favor of temporary point-of-purchase CB licensing, although Joe Sugarman, president, JS&A National Sales Group, pointed out that "dealers should be involved only if they were permitted to split the licensing fee with 'Uncle Charlie.'"

Retailers found the usual array of

was decided that all IHF members will be polled on the issue of a 1977 IHF trade show.

An informal survey of manufacturers, reps and retailers indicated that, although there was a great deal of dissatisfaction with CES, few merchandisers wanted yet another show. Furthermore, the majority of IHF members at the meeting saw the CE show as the most efficient means of attracting new business.

Stern warned, however, that at least 20 manufacturers were already prepared to hold their own trade show and would do so with or without the support of the IHF. He charged that only the largest hifi exhibitors were given prominent positions at CES or in the hotels.

The means to achieve future growth on the dealer level was the second hot topic of discussion and an earlier CES seminar provided the forum for another heated debate.

The issue: Who will organize hifi dealers? The possibilities: NARDA, the appliance-tv dealers association; SAC,



Summer CES 1976 and I.R. Stern of Harman International, leading proponent of a separate 1977 hifi show (right)

show specials, particularly in console stereo and some reported evidence of a few color tv dumps.

The show was highlighted by the CES' first annual design and engineering exhibition, showcasing the most innovative new consumer electronics products from 52 manufacturers.

Off-the-floor political fireworks colored the proceedings for hifi marketers at the summer show.

On the manufacturer level, heated debate ensued when, during an audio seminar, Irv Stern of Harman International, insisted that the Institute of High Fidelity split off a separate show independent of CES. Later, during the organization's first ad hoc meeting,

the Society of Audio Consultants, a professional group representing hifi dealers and sales people; and the dealers themselves. The struggle to organize has merely begun.

The wealth of high-end equipment at the show and in hospitality suites was very impressive but prototype Elcaset decks captured the biggest audiophile crowds. Manufacturers indicated that new Elcaset equipment might feature remote, sync and 4-channel operation.

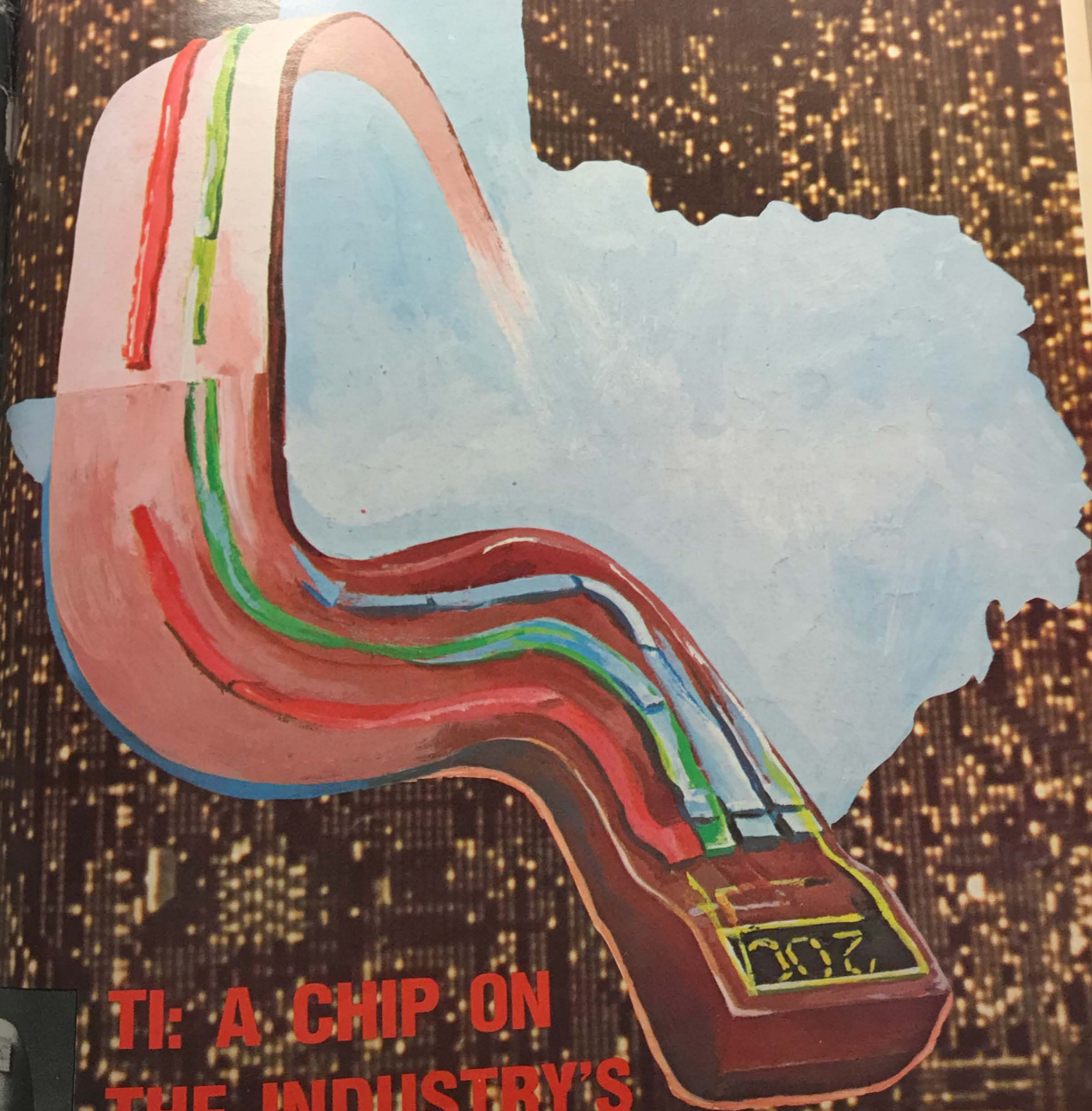
In calculators, the password was specialization.

Pricing was relatively stable, with

#1
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nd ANNUAL ELECTRONICS STATISTICAL & MARKETING REPORT

formerly *Electronic Merchandising*
A BILLBOARD PUBLICATION
AUGUST 1976 \$3.00
Merchandising
PUBLISHED FOR AMERICA'S INDUSTRY WITH MORE THAN TODAY ON ITS MIND



**TI: A CHIP ON
THE INDUSTRY'S
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FM stereo
order 11"
And 6 1/2"
speakers

Happenings

Thea Corp. formed to market digitals

PALO ALTO, Calif.—International Product Development Inc. and Bexon of Jersey have formed Thea Corp. to manufacture and sell a line of mens' and ladies' gold-filled, 14K and 18K gold-cased digital timepieces.

The product will be introduced this summer and be on the market in early fall. Most of this year's watches are scheduled for export to be marketed worldwide by Bexon and by Innovated Marketing International in the United Kingdom. Thea will market the timepieces in limited volume in the U.S. through jewelers and some prestige department stores.

Epicure establishes field sales regions

NEWBURYPORT, Mass.—Epicure Products, Inc. has formed two field sales regions.

Ed Carrier, most recently with Magnavox, has been named eastern regional manager and Tom McLoughlin, who had been serving 11 western states, has been appointed western regional manager.

GI tabs games at 5 million units

HICKSVILLE, N.Y.—Five million video games will be sold this year, ac-

cording to Edgar A. Sack, vice president and general manager, micro-electronics, General Instrument Corp., maker of the "six-on-one" tv game chip.

Sack said that while prices on games are anticipated to come down next year the product would not necessarily follow the same price curve as was seen in calculators and digital watches.

Channel Master sets consumer group

ELLENVILLE, N.Y.—Channel Master Division of Avnet, Inc., has formed a Consumer Products Group for development, merchandising, sales and

marketing of all Channel Master consumer electronics products.

The group will be led by Jim general manager. Also, Gene formerly vice president, sales and marketing, Sharp Electronics Co. has been named vice president of marketing, and Robert Babin, formerly product planning at RCA, has been appointed manager.

Scheiber, Chesrow join audio force

BLOOMINGTON, Ind.—Scheiber and Al Chesrow, president of Chesrow, Inc., have joined to develop and manufacture advanced related equipment.

The first product will be Model One, a "super" stereo source.

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can no longer
depend on your

JVC
gives you
the

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overnight sales and profit
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ca) Inc.
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y, Los Angeles, California 90061 / (213) 321-0320

Pay 'n Save buys Yard Bird outlets

SEATTLE, Wash.—Pay 'n Save Corp. has acquired two Yard Bird stores in Chehalis and Olympia, Wash. for \$8.5 million.

Paul Ross, vice president and former manager of Pay 'n Save's northern California Division, has been appointed general manager of the new stores, which will operate as a separate division.

Atari gets FCC okay on 4-game model

SUNNYVALE, Calif.—Atari Inc. has received FCC-type approval for its new four-game video player, Super Pong.

The unit, featuring Catch, Solitaire, Pong and Super Pong, is equipped with color, on-screen scoring and automatic speed-up. Suggested retail price is \$89.95.

Hotpoint launches television promo

LOUISVILLE, Ky.—Hotpoint has launched its "Campaign '76" television commercial campaign to run through the November elections.

Employing the CBS network, Hotpoint will air the commercials 37 times featuring its dishwashers, refrigerators, microwave ovens and washers and dryers to reach an estimated 260 million plus households. Added tv spot schedules in many major markets during the same period allow for dealer tie-ins.

MERCHANDISING

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CHICAGO—Higher
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Automatic washe
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In home laundry, S
washers featuring t
"dual-action" agitator
the spring book to its
series.

Microwave ovens,
are six models as befo
perature-sensing pro

AUGUST, 1976

Don J. Payne has been elected senior vice president, SCM Corp. was formerly vice president-marketing, SCM Corp.

Roger W. Slinkman has been named senior vice president, Electronic Components Group, GTE Sylvania Inc., succeeding **Alfred C. Viebranz**, recently appointed senior vice president, GTE's Lighting Products Group. Slinkman had been vice president and general manager, Electronic Tube Division.

Jack L. Bruner has been promoted to the new position of national sales manager, domestic products, Air Comfort Division, McGraw-Edison Co. Bruner was formerly national sales manager, central air conditioning. Also, **Bill Lewis**, formerly manager of product planning, has been named national sales manager, commercial products. **Patrick Campbell** has been appointed product manager, appliances, Portable Appliance Division at McGraw-Edison.

Roland F. Smith has been appointed president, Airtemp Corp., replacing **Mathew G. Bolin**, who is returning to an executive position with Chrysler Corp. Smith had been executive vice president at Airtemp.

Francis L. Reed has been promoted to director of marketing, Advent Corp. Reed was previously national sales manager, audio products. **Richard Railston**, formerly director of sales training, succeeds Reed.

Edward F. Gibbons, who had resigned as president and a director of F.W. Woolworth Co. due to illness, has been re-elected to both positions.

Jerome H. Zelman has been named vice president, sales and merchandising, National Merchandising Service, subsidiary of Cook United, Inc. Zelman was previously vice president-sales.

Anthony L. Conrad, president and chief executive officer, RCA Corp., has also been named chairman of the board. The position has been vacant since the resignation of **Robert W. Sarnoff**.

Bruce G. Allbright has been named senior vice president, Dayton Hudson Corp. Allbright continues as group officer-specialty stores and Lechmere.

Richard C. Nowell has been named national sales manager, Red L. Nowell had been an independent consultant.

Karl Buikema has been promoted to the new position of vice president-sales, Hitachi Sales Corp. of America. Buikema was formerly midwestern regional manager.

Stanley Fowler has been appointed vice president-sales, Roper Sales Corp. Fowler was most recently north central regional manager. Fowler replaces

James J. Loney while **Jack Ano** succeeds Fowler.

M. Raymond Prendergast has been named president, Boston Distributors, subsidiary of Cook United, Inc., succeeding **Larry London**, who has resigned. Prendergast was formerly vice president-operations, drug division. Also, **Irv-ing Winter** has been named merchandising administrative assistant for the discount department store division of Cook United. Winter had been head merchandiser-sportswear, Zayre Corp. At the same time, **Gerald Hansen** has been named vice president and general manager of specialty retail stores for the discount store division. Hansen had been divisional merchandise manager, Target Stores.

James M. Alic has been named division vice president, operations, RCA Consumer Electronics Division. Alic will be succeeded as division vice president-finance, by **Robert K. Smith**, who had been director, financial operations.

John R. Talley has been named executive vice president, Teaberry Electronics Corp. Also, **John Brown** has been promoted from chief of engineering to vice president-production; **Ken Greiwe** to vice president-operations; **John Filson**, from merchandising manager to national sales manager; **Ron Darbeck**, to assistant sales manager and **Jim Ennis**, to manager of merchandising services.

Raymond Klauer has been named president, May Co. as well as chief executive officer. Klauer had been president. Also, **J. Warren Harris** has been named chairman of the May Co., succeeding **D.G. Arvanites** who will remain as vice president of the parent May Department Stores Co. Harris had been senior vice president and director of operations of the May Stores Co.

William P. Petersen, Jr. has been appointed to the new post of vice president, new products and development, Breaker Corp. Petersen had been vice president-marketing.

Wayne Withers has been named to the new post of executive vice president, Pamida, Inc. Withers was formerly vice president-finance, Sav-C Drugs, Inc.

Kenneth L. Fesler has been promoted to national sales manager, specialty electronics division, Unitrex of America, Inc. Fesler had been southwestern regional manager.

Richard Taylor has been appointed merchandising manager, consumer blank tape products, Ampex magnetic tape division. Taylor had been merchandising and sales promotion manager. Also, **Betty G.**

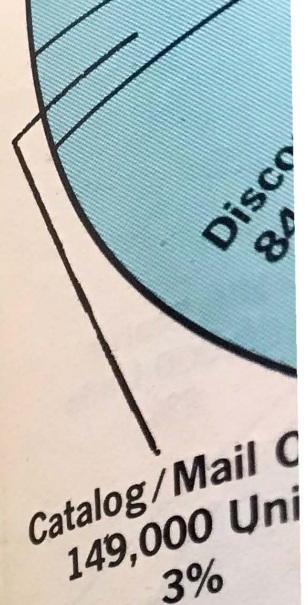
pegged for a 5% sales increase—470,000 units vs. 492,000—they will suffer a 3% loss in market share, to represent 12% of total solid-state set sales.

Catalog/mail order outlets are seen as racking up the largest sales gain in monochrome models. Here, a leap of 76% is projected, 262,000 unit against 149,000 in 1975.

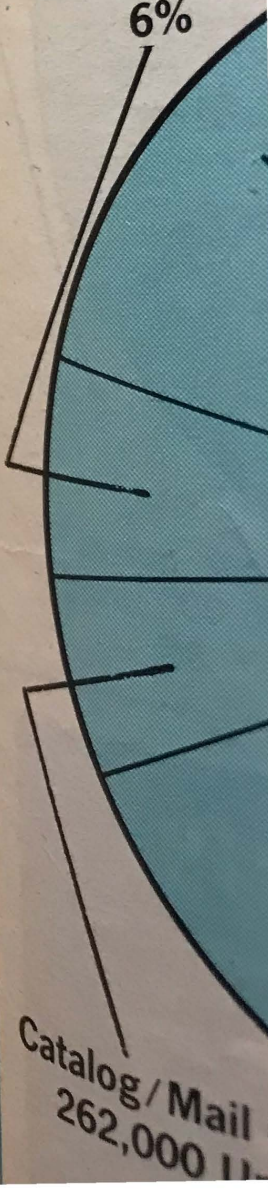
The industry's two new growth areas, electronic video games and tv projection systems, will realize significant gains by the end of the year. Video games, coming on very strong, are slated for an increase in sales of 250%, spurting ahead to approximately 1,225,000 units; in 1975, 350,000 of these products were moved. Tv projection system sales are expected to rise 120%, going from 6,800 units to 15,000.

Home radios are predicted to chalk up sales of 28,170,000 units, up 11% from last year, with the biggest gain (19%) occurring in clock radios. Of these, digital models will accelerate 20%, from 5,814,000 units to 6,977,000.

Citizens band transceiver sales will move ahead 121%: 9,950,000 units are expected to be snapped up vs. 4,500,000 in 1975. Mobile units, which will drop in average retail price \$7 to \$166, will grab 87% of the market, up



Furniture Sto
315,000 Uni
6%



umes in both the
Based on producer estimates after
the first six months of the year, calcu-
lator market sales are projected for a
22% gain, while its younger semicon-
ductor counterparts are estimated at a
228% rise.

In the calculator arena, hand-held

tion due to lower p
functionality now in the hand
realm. Some of these new features in-
clude printing capabilities and pro-
grammable functions.

But, the most ardent gainer will be

less, for a 10%
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Programmable models, w
interest here is due to lower pricing

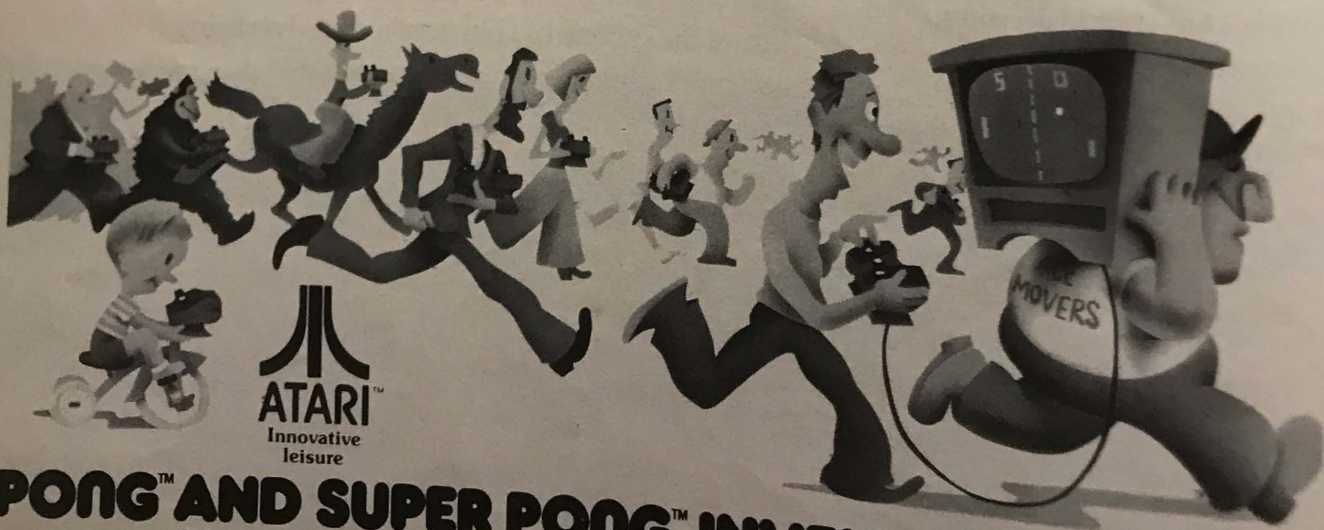
IF YOU WANT TO SELL HOME VIDEO GAMES, GO WITH THE COMPANY WHO'S GOT HOME VIDEO GAMES TO SELL.

It's just plain easier to stay ahead of the game if you invent the game. That simple fact of leadership is why it can pay you big to go with Atari.

To begin with, we've got the quality tested products your customers are used to playing. The same games with the same superior features that literally originated the entire electronic video game market.

And right now, both Pong™ and Super Pong™ video games are FCC approved and ready for shipment to your store.

Proving, once again, how it pays to go with the people who made the games that made the market.



PONG™ AND SUPER PONG™, INVENTED BY ATARI.
We're out to bring the whole country home to Atari games.

Atari, Inc., 1195 Borregas Drive, Sunnyvale, CA 94086



**Comprehensive:
State
analysis of the
Retail**

or two of the others—Aluminum
Van Wyck's—if they are delivered

former, several retailers expressed
single units are going to be very
s. As one pointed out, "The single
vers, they can be hung on a peg
patula or other kitchen tool, while
take as much counter or cabinet
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to be a problem among the new ap-
manufacturers enter the field. This
l among automatic drip coffee-
makers. Despite reports to the con-
tacted do not really feel sales of
ump, however, some suggest sales
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y product keep growing by leaps
ing, here, is the thing to watch—
e already being footballed all over
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kers "may be good as Christmas
one retailer. Most feel the success
depend on advertising, in-store
prices.

s could parallel the growth of pi-
s you couldn't find them in many
t; in less than five years, they were
y, and soon a do-it-from-scratch
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ed to an overnight success.

ne new manicure tools and skin-
tagged as gift items with a pre-
on similar to the hot shave cream
ir dryers, buyers' money is still on
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ters and bakeware, which always
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of the mini-fast grills and deep-
resident of Van Wyck Inter-
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ed unit for soft ice cream—Mr.
akers' fingertips.

ut already available at locations
are solar-powered housewares
cts—a popcorn roaster at \$6.55;
, and several grills topped off
\$39.50.

ut the housewares industry is

ive. As a result, many are moving away from lines no
longer providing sufficient profit opportunity and
turning to other manufacturers, notably importers,
offering higher margins.

Distributor-to-dealer color tv sales continue at a
fairly even pace, with totals about 13% ahead of last
year at this time. However, retailers' anticipation of
better-than-usual deals from manufacturers toward
the end of the year could be causing them to hold
back.

* * *

The rosy citizens band transceiver picture could
temporarily dim this fall when price erosion hits the
23-channel unit market. Merchants say they plan to
load up on new 40-channel radios—now okayed by
the FCC and permitted to be marketed after Jan. 1,
1977—but are buying 23-channel sets on a hand-to-
mouth basis, mainly because they fear consumers will
postpone purchasing pending the availability of 40-
channel transceivers.

Now, with 23-channel unit production built up be-
yond demand, dumps and price cutting are predicted
to be rampant.

One concerned department store buyer said, "In
two months, things could really be crazy."

Other retailers indicated that deals from major
manufacturers were already coming down the pike
and that imports were "all over the place."

* * *

While everyone expects a super Christmas in tv
games, the big question remains, where is pricing go-
ing—followed closely by who, ultimately, is going to
sell them?

If the market continues to skew toward low-end,
toy-type pricing, many independent dealers say they
will be unable to afford to merchandise games. Their
reasoning: It takes as long to demonstrate a tv game
as it does to show a color tv, and the margins are now
nowhere comparable. That, however, was not always
the case. Initially, a retailer could earn as much profit
on an electronic game as he could on a color tv set.

It will be a different ballgame, though, once higher-
priced, sophisticated programmable cassette units
become available. Retailers also feel that such versa-
tile entertainment centers will transform the tv game
from a splashy Christmas item to a year-round prod-
uct.

In the meantime, merchants, unsure of upcoming
fall pricing in the face of fierce competition, are tak-
ing a conservative buying approach, with many mass
merchants using "locker stock" arrangements or oth-
erwise attempting to have distributors sit on the mer-
chandise for them.

As one conflicted buyer lamented: "Your inclina-
tion is to bring in a bunch of them (games) because
you don't want to miss out; but on the other hand,
you hesitate because you don't know what is going
to happen to pricing."

John Wellman

Manufacturers are looking for
10%-20% sales growth for the rest of 1976
1977. So the blank tape business outlook
one.

Many merchants added lines and are in-
creased sales because of it. Even mass mer-
chants are becoming a more significant factor. So
far, mass merchandisers accounted for
more than 20% of total blank tape sales. Tod-
ay, like 40% as discount houses, drug stores,
supermarkets have stepped up their partici-
pation.

Suppliers, themselves, are priming for
the heaviest promotional barrages the industry
has seen in the mix are multi-million dollar ad-
vertising campaigns that include tv, radio and print
media, musical celebrity endorsement; giveaways
from T-shirts to storage cases; sweep-
stakes; two-for-one and half-price offers; ne-
wspapers, clinics and premium offers. There's
something for every kind of retailer.

From a purely marketing/merchant
point, some trends are noteworthy. The
cartridge market appears to be growing
faster than the other configurations. The ups
are primarily to better hardware and the still
value factor; the cartridge format is ex-
pected to see 10%-20% increases for the coming
year. Cassettes are slated for 10-15% increases
in 1977. The longer playing times are still
a major advance. For premium quality cassette
tapes, the most popular and should continue
to be the 90-minute cassette—probably because of
consumer anxiety about its reliability—is not moving
as fast as some had predicted. Cartridges are
available in 100- and 120-minute lengths.

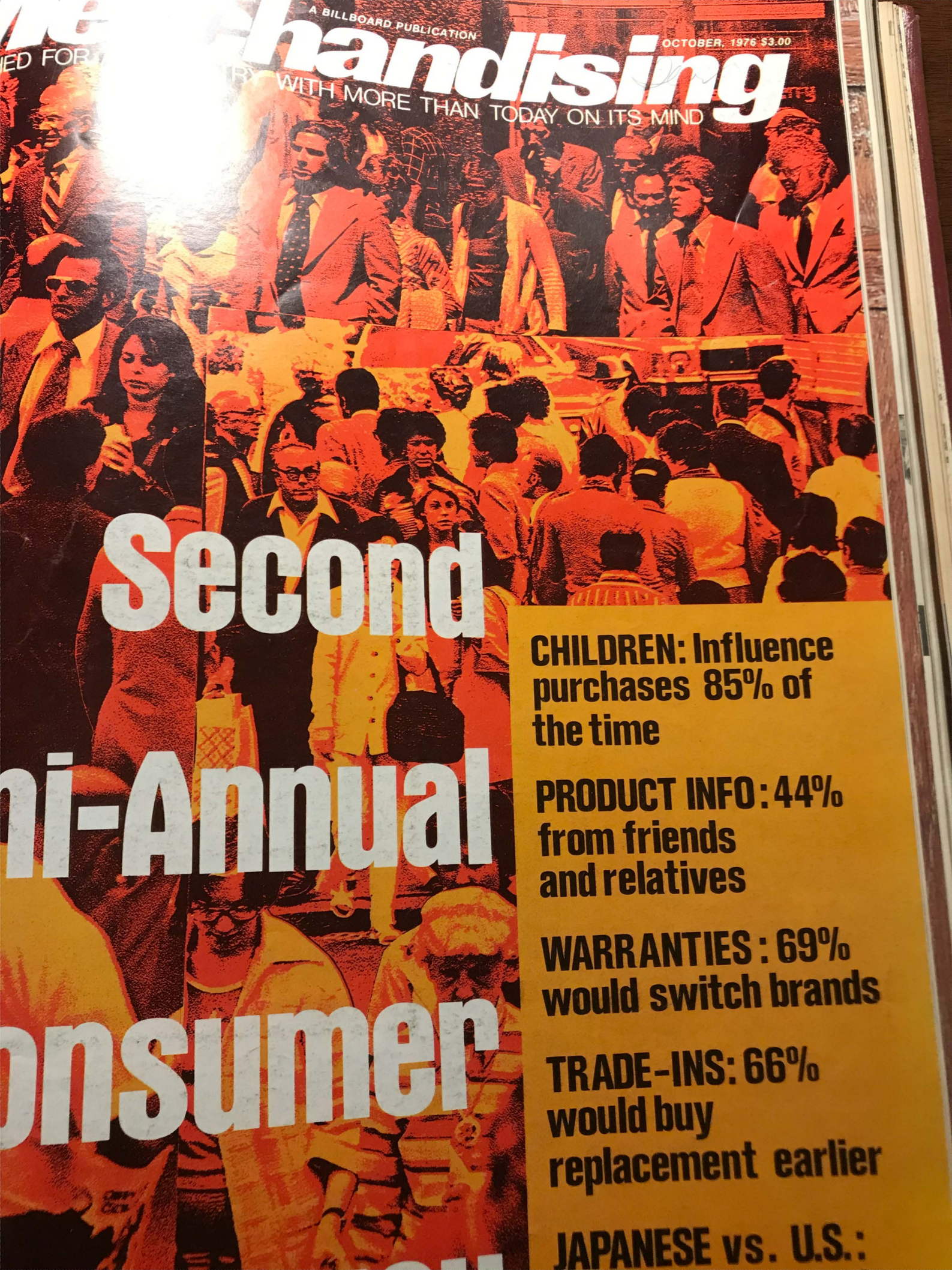
Also, a "new" older market is beginning
to emerge. The 34-49 year old grouping, as
opposed to the prime 18-34 year old segment; and the
growth in female buyers as women become more
active in audio generally. Other stimuli to
include introduction of quality accessories
such as cleaning fluids, devices, and tape care
products; movement toward quality, high-end tape
recorders; repeat sales; and finally, a flatness in the
market with an estimated 3%-5% in total cassette
sales.

* * *

Whether or not disgruntled hifi is
ahead with a trade show divorced from
the CES—which reared its controversial head
last year—still remains a question. The
CES will make available exhibit space in Mc-
Cormick Place to these dissident
groups in response to the proposed compromise
coming sometime this month.

Jim McCormick

Lois A. Panoski



Second Semi-Annual Consumer

CHILDREN: Influence purchases 85% of the time

PRODUCT INFO: 44% from friends and relatives

WARRANTIES: 69% would switch brands

TRADE-INS: 66% would buy replacement earlier

JAPANESE vs. U.S.:

chants; most no longer. Potential job layoffs, and dollars that had been in savings accounts are now being put toward the purchase of a color set.

At the same time, the Presidential election also appears to be affecting the change in attitude: citizens see a "new beginning" and feel secure in their hope. Also, with closer attention being paid to the news, tv is garnering greater interest.

All told, retailers see an excellent fourth quarter and, accordingly, are planning heavy advertising schedules to make the most of it.

* * *

An excellent season in tv games is a certainty, but like last year, availability will be short, merchandisers agree. Retailers expect that despite projections to the contrary and many new marketers entering the field, production will be unable to keep up with demand through the Christmas season.

Although big sales increases should be registered over 1975, gains will be spread out among many diverse types of retailers, including drug and toy stores, rather than the bulk of the business going to brown goods merchants, as was the case last year.

Also, while sales volume will be high, profit is expected to deteriorate further in the face of anticipated additional price cutting. It is felt, however, that the introduction next year of a spate of micro-processor-based programmable games could cause a shakeout followed by relative stability in what will then evolve to be a two-tier market.

Jane Dellman

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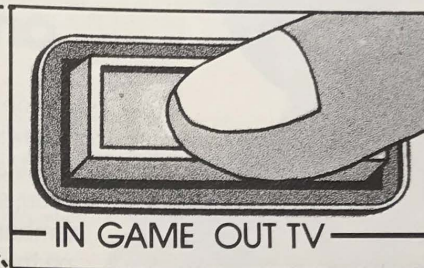
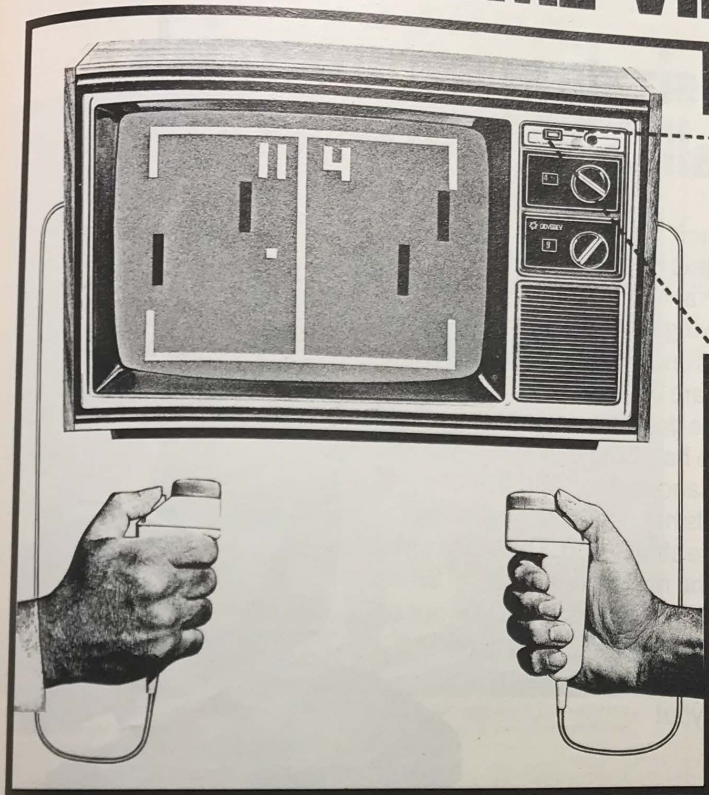
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ANOTHER NEW PROFIT OPPORTUNITY FROM MAGNAVOX.

#3. 19" COLOR PORTABLE WITH ODYSSEY® HOME-VIDEO GAME BUILT IN.



Fun at the touch of a button!

Digital on-screen scoring, action sound, automatic serve and rebound—for added excitement.

Skill switch adjusts speed and deflection of the ball—to keep all three games challenging, even for experts.

Color TV plus Odyssey. Two fast-movers in one beautiful package. And at a suggested retail that's less than the prices some people are asking for 19" (diagonal) color portables alone.

Only from Magnavox.

New profit opportunities.

1. Touch-Tune™ Color Television. 23 models.
2. Field-Remoteable Color Television.
3. New excitement in 19" color portables: Odyssey® home-video game built in.
4. Dimensional Sound. In all-new Decorator Stereos.
5. Odyssey home-video games. The best gets even better.
6. Magnavox Modulares. Newly designed for big sound, small price.
7. Black and white TV. New designs, new features.

Magnavox adds a further dimension to television! We've taken America's favorite-size color portable, and built in America's favorite home-video game—Odyssey!

Now your customers can switch from watching TV to playing Odyssey just by pressing a button. And you can switch to selling a color portable that offers everything most customers want plus an exclusive "plus" that no other TV has: a built-in home-video game.

And what a game it is!

Odyssey keeps on being fun because it's lots of games in one!

3 action-packed games in one: Tennis, Smash, Hockey (with goalies, for extra action).

Remote player controls for convenience, color-coded to correspond with colorful on-screen players. No mistaking whose players are whose.

MAGNAVOX

QUALITY IN EVERY DETAIL

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ing to discounters and independents to purchase. Similarly, the experience of the May

white goods at every store, gradually shifted them to basements, or minor wall displays, before going largely the same route with more of an emphasis on brown goods.

At a time when other department stores and mass merchants are exiting the major appliance picture," he states, "we are strengthening." Determined to regain what he feels is the department store's "logical share of the appliance melon," Parker has built

LOTS OF COMPANIES CAN PUT TV GAMES ON YOUR SHELF. BUT ATARI IS THE COMPANY THAT WILL MOVE THEM OFF.

Lots of companies are promising video games for this fall. Frankly, many of them will deliver.

But is simply delivering the goods enough? At Atari, we say no.

That's why when we deliver the goods, we also deliver the customers who buy the goods.

We do it by running the largest advertising campaign in the industry. An effort so successful that brand awareness of Atari's products are well over 50% of all TV households where we advertise.

And when you add that kind of advertising awareness with the Atari reputation, it spells sales, sales, and more sales. Your customers just know if they buy an Atari product, it's going to have the same superior quality and features as the famous Atari coin-operated games.

So stock up big on Pong™ and Super Pong™ video games. And see just how much it can pay to go with the company that made the games that made the market.



SUPER PONG™ AND PONG™ VIDEO GAMES.

Atari quality keeps them sold.

Atari, Inc., 1195 Borregas Drive, Sunnyvale, CA 94086

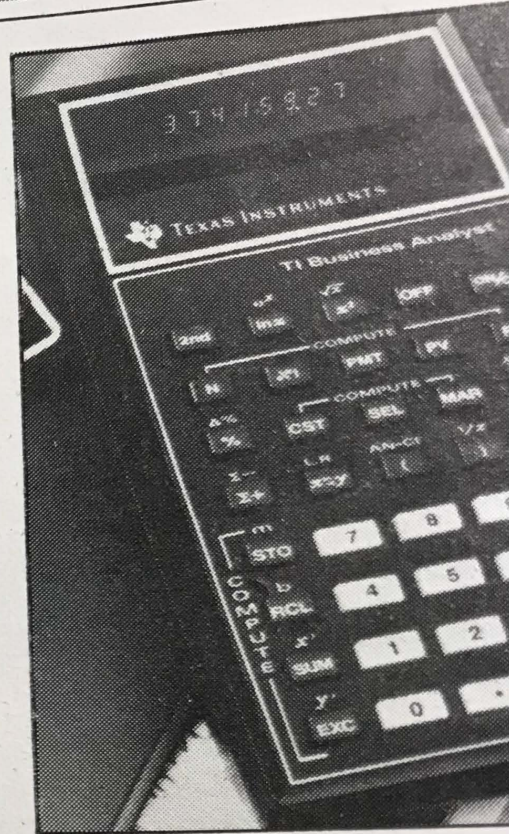
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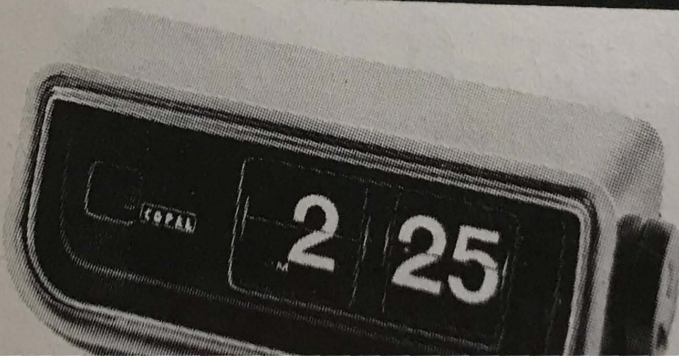
EDISON, N.J.—Lloyd's Electronics, Inc. has premiered model 802 home video game playing tennis, hockey, squash or handball, practice, straight-line target and moving target for \$99.95.

The unit also features two remote paddle-type controls, automatic 1-15 digital scoring, long-short bat size control and ball return angle selections.



TI Business Ana

COPAL DIGITAL CLOCKS The Sure Way to Sell-Up



Texas Instrum

DALLAS, Tex.—Texas Inc. has presented Analyst calculator with regression and trend labilities aimed for the \$49.95.

TI has also introduced a calculator product Family Math 52-page Math Kits and two games—Check Out a calculator Squares for \$

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RCA's Conrad out, post goes to Griffiths

NEW YORK—The board of directors of RCA Corp. has accepted the resignation of Anthony L. Conrad as chairman and president of RCA and a director of the corporation.

Edgar H. Griffiths, formerly president, RCA electronics and diversified business, has been elected to succeed Conrad.

Conrad had informed the board that he had failed, until recently, to file personal income tax returns for the years 1971 through 1975. As a result of the disclosure, RCA has notified the Securities and Exchange Commission that it is withdrawing its proposed public offering of five million shares of RCA common stock.

The board said its decision to accept Conrad's resignation and to withdraw the stock offering related solely to his personal financial problem and not to the operations of the company under his management.

Conrad had succeeded Robert W. Sarnoff to the top RCA post in November 1975.

U.S. housewares to be at European fairs

CHICAGO—Plans are under way for American housewares manufacturers to participate in the leading trade fair in Europe.

Diversification stressed at NA

ST. CHARLES, Ill.—The fewer service calls resulting from solid-state circuitry generated increased interest in product diversification among tv service-
icers.

This was evident at the 27th annual convention of the National Association of Television & Electronic Service Societies at the Pheasant Run here.

A full afternoon was devoted to the subject. On the one hand, a presentation on Guardian Service security systems recommended the sale of intrusion and fire detection devices when tv technicians make a service call.

On the other hand, a representative from Dynascan Corp., manufacturer of the Cobra citizens band radio, stressed the service potential, based on 10 million CB sets estimated in 1975 and the 6.5 million expected sold in 1976. The average service call costs \$20-\$25, including \$3 to \$5 in parts, and the average service technician could do eight to 10 calls a day, it was pointed out.

NATESA executive director Moch, noting that the tv service industry is "in the throes of paying a heavy price" for the increased reliability of solid-state revolution, said the confidence of service is down to a low level. He warned of

gs

es makers show

K, N.J.—Over 20 home electronics played their wares at Lehrhoff's display last month.

show specials on Salton, Rubbermaid and Corning, buy Presto Fry Evolution's Wash-away can openers

they had previously shown to many

of these lines, but were on the lookout for something new. Some mentioned the Omron calculators and Rival Crock-Plate as products to be reckoned with.

Henry Kohn, Lehrhoff executive, noted that, "the distributor is still quite an important force on the merchandising scene and we see it continuing that way in the future."

National receives FCC game approval

SUNNYVALE, Calif.—National Semiconductor consumer products division has received FCC approval for its

Adversary tv game which was previewed at the June CES and is now retailing for \$99.

NESDA establishes consumer campaign

SAN ANTONIO, Tex.—The National Electronic Service Dealers Assn. is out to increase its awareness among consumers as well as the trade through a promotional-advertising campaign.

New NESDA president Everett O. Pershing, Pershing Radio, Burbank, Calif., elected at its annual convention here, succeeding Leroy Ragsdale, Modern TV, Ft. Smith, Ark., said the promotional campaign "in all kinds of media" will be supported by revenues derived from the convention and year-book, proposed dues increases (to \$54 from \$48) and expense cutting in other areas.

The convention, which attracted some 600 registrants, was the trade group's largest ever, and apart from the emphasis placed on promotion and on membership (to "at least double" its rolls from the current 2,100), was characterized by the absence of any controversial issue, such as warranties, that had been present in the past.

In addition to Pershing, the NESDA delegates elected Kurt Wertheim, Kurt's TV, San Antonio, as senior vice president and re-elected John McPherson, Mac's Electronics, Yorktown, Va., secretary and Jack Kelly, Sage & Sand TV, Litchfield Park, Ariz., treasurer.



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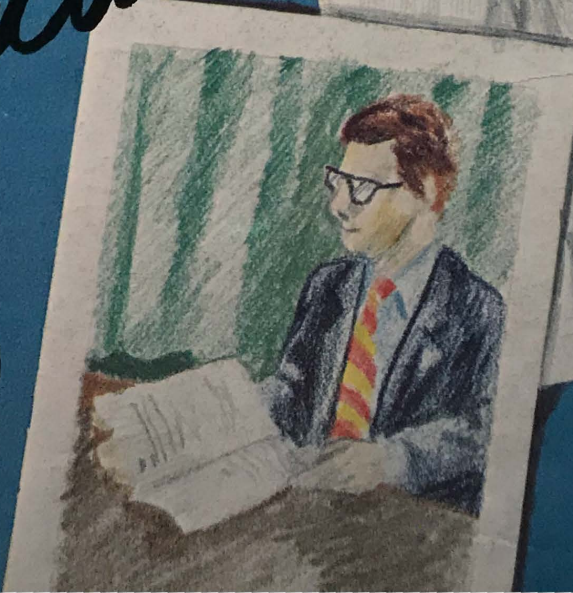
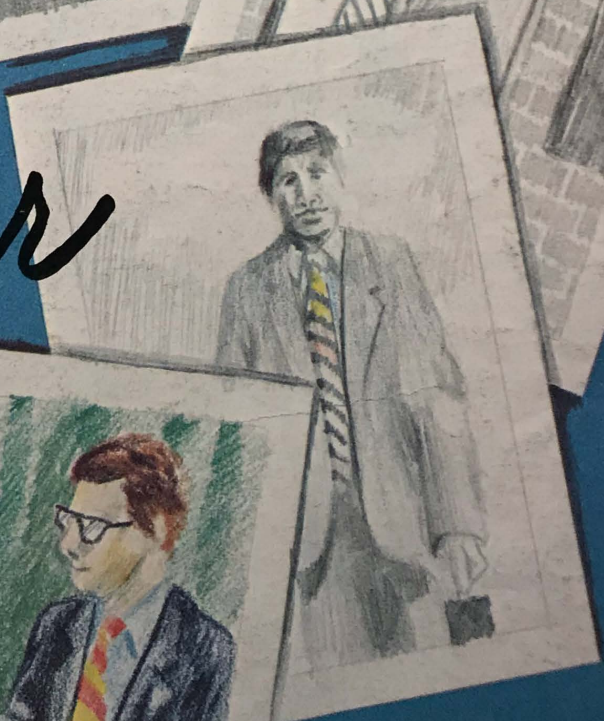
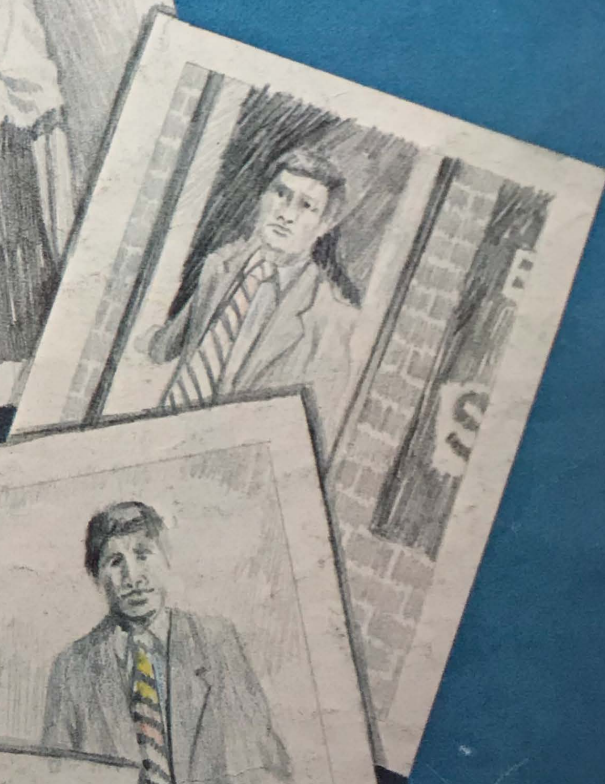
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AN INDUSTRY WITH MORE THAN TODAY ON ITS MIND

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...though, are having good success with 19-in. mono-
...chrome receivers, betting that these sets may be being
...purchased for primary use as video games centers in
...family rooms. Going with this hunch, some mer-
...chants are planning promotions centered around the
...large-screen sets paired with promotionally priced
...games attachments.

* * *

Turned on by more complex, challenging electronic games they have tried in amusement arcades, consumers are now inquiring about similar types as moderate-priced home units. While for the most part, these are yet to come to market, currently available attachments with a diversity of games, including a target gun feature, seem to be filling the bill for now.

The Christmas game surge will be marked by heavy promotion and competitive pricing. Merchants indicate they are ordering three or four different types of games to meet various price levels.

* * *

Retailers say that console stereo could very well "break loose" this fall based on an encouraging sales pick-up thus far. The bulk of the action, merchandisers concur, should come in smaller-sized units.

* * *

Confusion reigns in the land of buddies and beavers as citizens band radios are being made available at outlets from gas stations to grocery stores. With so many brands at so many different prices, those consumers wanting to buy 23-channel units are basing their decision more on sheer price than anything else.

* * *

Scanner business is expected to stir up as the colder weather encourages more "indoor sports."

Jane Dellman

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\$650 million
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**Pioneer sets U.S.
ADR share issue**

times the number of cars at three years comparable period. At this rate, it is expected that some 2.7 million units would be shipped by the end of 1976 or about enough to meet 30% of American demand.

TOKYO—Pioneer Electronic Corp. plans to issue American Depository Receipts this month. The ADR issue will be listed on the New York Stock Exchange. Pioneer follows Sony and Matsushita Electric Industrial, already listed.

Two million ADRs will be issued against 4-million original Pioneer shares held by Mitsubishi Bank in Japan.

Pioneer plans to raise at least 9,000 million yen through the issue for investment in equipment in Japan and the establishment of a subsidiary in the U.S.

**Japanese ready
big tv game surge**

TOKYO—Tv games are expected to be the next big export item after CB transceivers. By next spring there are expected to be 100 or so manufacturers involved in the business. Currently involved in production of the video games is Nakamura Seisakujo in an agreement with Atari, a major manufacturer of amusement arcade equipment. Systec, private label supplier, has an order for 1.2 million video games to be produced before Christmas. The buyer, unnamed, has made arrangement with Magnavox concerning the latter's patents on the devices.

Epoch, a major toy maker, has settled with Magnavox and has already shipped some 20,000 units with LSIs from General Instruments. Nippon Electric with Epoch will be producing video games but with original technology. Systec is cooperating with Mitsubishi Electric for a high performance video game with a microprocessor for next year. They are also developing a multi-game device for cartridge use providing 15 different games.

**Producers taking
sides on videodisc**

TOKYO—Many Japanese manufacturers are looking at videodiscs as a potentially profitable product. But as in the case of VTR, the differences between systems has yet to be resolved. The Japanese are importing the technology involved but have yet to devise hardware for the discs.

The TED Bildplatten A.G. technology is the current favorite, with Sanyo Electric planning to market its videodisc system next year. General Corp., appliance maker, plans to market a TED-based system next April. But Sharp, Pioneer, and Clarion have made arrangements for RCA-based systems. Other than Sanyo and General, another manufacturer has

Davis has been named vice president-operations staff, power tool division, Rockwell International Corp. Davis was formerly vice president-operations, Holley Carburetor division, Colt Industries.

Edward Christoffersen has been appointed manager, field operations, Tappan Sentinel Service division. Christoffersen was associated with White-Westinghouse. Christoffersen succeeds **Dick Stilwill** who has been named to the new position of manager of systems and procedures.

John Cantu has been named to the new post of executive vice president, in charge of all outdoor products manufactured by the Toro Co. Cantu had been general manager, Pro-Turf division, O.M. Scott Co.

Robert O'Neil has been named vice president-marketing, General Telephone & Electronics consumer products business. O'Neil had served as a consultant after resigning as vice president-marketing for GTE Sylvania's entertainment products group.

James Nichols has been promoted to the new post of south and south-central division manager, Radio Shack. Nichols had been a regional manager at Radio Shack.

Lloyd Mackenroth has been elected vice president, corporate communications, Acoustic Fiber Sound Systems, Inc. Mackenroth had been an AFS consultant.

Pat Nolan has joined Toshiba America, Inc. as sales manager, microwave oven operations, California market. Nolan had been with the sales division of Admiral.

A. William Trueman has been named director of marketing, Blonder-Tongue Laboratories, Inc. Prior to his appointment, Trueman was director of marketing, CCA Electronics Corp.

James Badaracco has been appointed division vice president, consumer products marketing, RCA Service Co. Before his appointment, Badaracco was director of consumer products marketing.

John Kelly has been appointed manager, specialty sales, Schick Inc. Kelly was previously east central regional sales manager. Also, **Thomas Sinopoli** has been appointed east central regional sales manager, replacing Kelly. Sinopoli had been zone manager, Redactron Corp.

Larry Kissel has been promoted to vice president, sales and marketing, Orovox.

Robert Czerwonky has been named vice president-marketing, Charmglow division, Beatrice Foods, succeeding **Jim Klein**, who has resigned to become the southeastern representative for Charmglow and Rid-O-Way in the southeast.

Masakazu Nimiki has been named national marketing manager, Betamax home video recorder/players, Sony. Namiki had been Sony's marketing director in the United Kingdom.

Stanley Edwards has been elected corporate vice president-distribution, Gambles. Edwards was previously corporate inventory control manager.

Displayed at the press conference was Jensen's new line of car stereo speakers including its new Triaxial model, with its high, mid-range and woofer components. Also shown was the firm's new "singing cube" car speaker demonstrator.

Siragusa joins RCA distribution team

NEW YORK— Ross Siragusa, founder of the Admiral Corp., and now chairman of the board of R&A Distributing Corp., has taken on the RCA television line in Chicago.

RCA Distributing Corp. has discontinued distribution operations in the Chicago area.

Charles Spagnoli, presently vice president and general manager of the RCA Chicago branch, will become vice president and general sales manager of the R&A firm. George Williams, also an executive with the RCA branch, will be vice president of operations for the new distributing firm.

Alfred A. Medica has resigned from an executive position with Zenith Radio Corp. to be president of R&A.

Promotion started for pilotless units

SAN FRANCISCO—A promotion to spur purchases of pilotless gas ranges has been launched here.

In a program running through Nov. 30 sponsored by the Electric & Gas Industries Association, the



It's new. It provides in

The ONKYO TX-4500 tuning. It will spearhead

We're primed for a sup the way our orders are we couldn't be more r

Consumers are buying choosing Onkyo's qu performance . . . at re

Onkyo's TX-4500 is innovative, high perf AM/FM Stereo Recei

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QUARTZLOCKED quartz crystal calibr

from magnetic tape include a cassette storage system and empty take-up reels in three sizes.

The new units include the CP-36 walnut-finished cassette storage cabinet at \$33.95 and the 7-in. metal reel (model AMR-7 at \$6.99); the 10½-in. reel (model AMR-10 for \$11.49) and the 10½-in. NAB reel (model APR-10) for \$7.49.

First Dimension

NEW YORK—First Dimension Corp. has introduced two new models in its line of "Video Sports" television games.

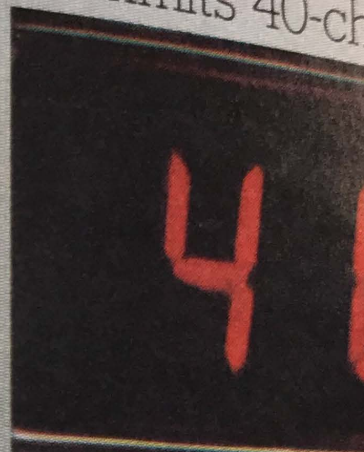
FCC-approved model 76, in black-and-white, features four games, three different sounds, digital scoring, automatic speed increase and two deflection angles. The one- or two-player unit has a suggested retail of \$79.95.

Full color model at \$99.95, 4 + 6, features six games, two optional shooting games with gun and nine deflection angles.



COBRA 40-C

Announcing T
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Happenings

Video games in Wards Yule catalog

CHICAGO—Video games prove to be one of Montgomery Ward's prime "let's do things together" gifts in its latest Christmas catalog, to be distributed to more than six million families.

Up to four games, available with one control panel, with three-games (tennis, hockey, handball) are featured at \$57.88. A Magnavox "Odyssey 400" is offered at \$99.95.

In other areas, Wards highlights a citizens band receiver at \$24.94 and a \$31 reduction on its CB transceiver with AM/FM/FM-stereo. On the back

cover, Wards features a \$20 cut to \$99.88 on a Royce unit, with free SWR meter.

Price reductions are featured on eight personal care items, up to \$10 on a 900-watt variable control styler/dryer, now \$14.99.

Selected cuts on kitchen electrics include two items featured as a "Wards Best Buy," a 5½-qt. slow cooker with removable pot reduced \$9.55 to \$24.44 and a bag sealer cut \$5 to \$14.44.

In home electronics, \$40 cuts were made on a three-piece AM/FM/8-track recorder system to \$129.95; and three color tv's, a 13-in., now \$299.88; a 15-in., \$329.88 and a 19-in., \$399.88. Its "best" 19-in. was cut \$50 to \$439.88 and

a 25-in. console model.
The inside cover
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at \$79.95 each—
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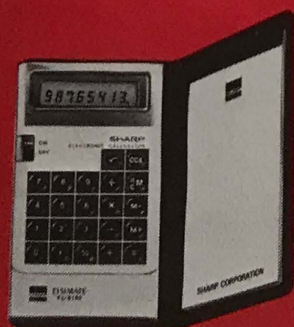
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12 PROFITABLE WAYS TO A GREAT CALCULATOR CHRIS ...FROM



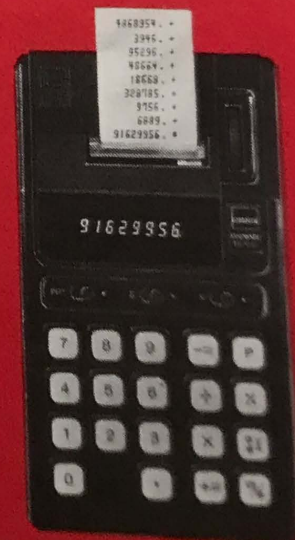
THE SPECIALIST THAT THE INDUSTRY.



EL-8120. Sharp Thin Man
Esquire. Super-thin. Only about
1/4" thin. Invisible in a shirt



EL-8009. Sharp Compact. Folds
up like a lady's compact. Full
functions. Constant. Tax and
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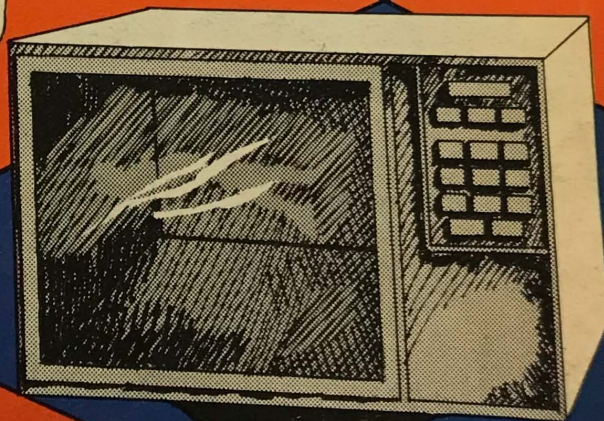


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RETAIL IS:

Prospects
Potentials



Most of the emphasis this month will be on low-end console stereos with 8-track play and record. Consumers are now more aware of tape recording capability offered in console units and are requesting the feature.

While tv games are moving off retail shelves at a steady pace, most merchandisers lament their shrinking margins. And even heavier price cutting is predicted during the holiday season. Dealers agree that although the potential for video games is great, having to compete with large chains offering the units at low prices has resulted in ever-eroding profits.

One buyer commented on another effect: "The tv game is one of the hottest items to come along, but when you give them away, people think they're toys rather than electronic games of skill and shy away from them."

Retailers will be studying new, competitive home videotape recorders due on the market at the start of next year in terms of pricing structure and features. Decision to take on additional brands, buyers say, will depend very much on the VTR's potential as a demand item.

Consumers have as many questions on the broad price discrepancies they find existing between one 23-channel CB radio and another (e.g., two apparently comparable units, one priced at \$39, the other \$125) as they do on the expansion to 40 channels. Such confusion has caused many consumers to postpone purchasing or to decide not to buy at all.

With slumping CB sales, some manufacturers are planning to alter their distribution set-ups. As the situation now stands, there are too many distributors for the volume of product being sold. Approaches considered include working with jobbers or replacing reps by selling direct.

Billman

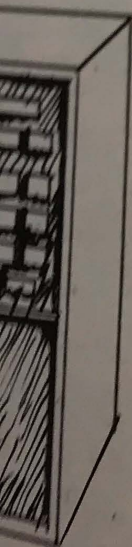
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discount stores in that department and
Drug chains, though, will be quite involved
in merchandising small electrics, and one Il-
linois-based operation is planning to make
the category into a "complete department."
At another midwest chain, hair dryers and
hamburger makers are expected to be big-
gest sellers.

For most retailers surveyed, hair dryers
and curling irons will top the personal care
sector.

Other new products the electronics re-
tailoring community is keen on for 1977
are tv games and citizens band radios.

Games, while expected to maintain their
popularity, are still seen, for the most part,
as fourth quarter seasonal items, now with
slim margins. Merchants, therefore, said
they will stick to a conservative buying pat-
tern early in the year. Most merchants said
they would not "go overboard" on new, mi-
croprocessor-based programmable games,
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1977 RETAIL MOVES

perfering to "see what the demand is."

CB radio, although viewed as a steady, ongoing business, is looked upon with some caution as a result of the anticipated introduction of 40-channel units next year, FCC approval and announcement of which tended to slow sales of current 23-channel models. Many retailers do not intend to inventory the 40-channel transceivers as aggressively as they have current models.

"We'll never inventory 40-channel CBs in as much depth as 23's because of the way prices have been reduced on 23-channel units," said a New England store owner. "It won't take long for 40-channel radios to go down in price, too. They'll be readily available."

Stated another independent, from the Southeast, who said he will buy "with caution," 40-channel units "will be slow on the uptake because there will be so few people to talk to on the extra channels ... that it won't be before late in the year that they become popular."

Other dealers feel that "if 40-channel transceiver prices are a great deal higher than 23-channel radios, consumers will stay with the latter because all they really use are only two or three channels."

Furthermore, a number of retailers are concerned that the redesigned models will be less efficient than the 23-channel sets and

they plan to test the performance of the versions before stocking up.

Generally, plans are to buy the 40-channel sets and, as a merchandise manager of a large southwestern department store put it, "advertise both and let the consumer tell which type he wants."

In television, a continuing, strong trend is seen in 25-in. color consoles, a significant manifestation of the growing placement market, buoyed by attractive new cabinet designs. Good business is expected in high-end 19-in. sets with electronic tuning.

"Consumers can be stepped up an extra \$30 to electronic tuning once its reliability features are explained to them," noted a buyer for a California department store chain. For instance, he added, pointing out that unlike mechanical tuners, varactor tuners do not require periodic cleaning to impress consumers.

Color models with other new desirable features enhancing color reception are also seen as attracting consumers in 1977.

Home electronic retailers are looking for improved console stereo sales and cite units with optional players and/or recorders as likely to generate good activity. Many dealers are already having success in convincing owners of compact systems to console models.

Digital clock radios featuring LED displays are predicted to gain strength through their silent operation, futuristic look and lower prices.

While tv pricing will still be highly competitive at retail, merchants—as one independent put it—"will not lower prices to create sales. (They) will try to get even out of everything that (they) can."

Advertising will be heavier than last year and basically centered around a new theme.

"We try to ...

Stores plan expansions

Though they represent only a small percentage of merchants surveyed, these retailers indicated that they plan to expand their operations in 1977:

- Digital Things, Inc.—Decatur, Ga.
- Boscov's—Reading, Pa.
- Bullock's—